

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

ADVENT INSURANCE PCC LIMITED
GROUP SOLVENCY AND FINANCIAL CONDITION REPORT (Group SFCR)

FOR THE YEAR ENDED
31 DECEMBER 2025

Table of Contents

A.	Executive Summary.....	6
	Business.....	6
	System of Governance	7
	Valuation for Solvency Purposes	7
	Capital Management.....	7
B.	Business and Performance.....	8
	A.1 Business	8
	Material lines of business and material geographical areas	9
	Significant events	10
	Group Structure	11
	Related Party transactions	11
	A.2 Underwriting Performance.....	11
	Solo PCC	11
	Group Consolidated	12
	A.3 Investment Performance	13
	Solo PCC	13
	Group Consolidated	13
	Investments in securitisation.....	14
	A.4 Performance of other activities.....	14
	A.5 Any other information	14
C.	System of Governance	15
	B.1 General information on the System of Governance.....	15
	Composition of the Board of Directors.....	15
	Responsibilities of the Board of Directors	15
	Board oversight of key functions	15
	Remuneration entitlements	16
	Organisation Structure.....	16
	B.2 Fit and Proper requirements	16
	B.3 Risk Management system including the ORSA	17
	Responsibility	17
	Risk Management Strategy - Risk Register and Risk Matrix	17

Risk Management Strategy – Control Register	18
Strategy for managing Insurance and Investment Risks	18
Strategy for managing other risks.....	18
Obligation to invest using the ‘prudent person principle’	18
Monitoring and reporting of risk positions.....	19
Performance, Internal documentation and review of the ORSA	19
B.4 Internal Control System	20
Key Internal Control Procedures.....	20
The key components underlying the Compliance and Internal Control Policy	21
B.5 Internal Audit Function	21
Independence of Internal Audit Function.....	21
Reporting to the Board	21
Internal Audit responsibilities and scope	22
B.6 Actuarial Function.....	22
Implementation and Objectivity.....	22
Responsibilities	22
B.7 Outsourcing.....	23
Rationale for Outsourcing.....	23
Outsourcing Policy	23
List of Outsourcing arrangements and the jurisdictions they operate in.....	24
B.8 Compliance Function	24
Compliance Responsibility	24
Compliance Function activities	24
D. Risk Profile	25
C.1 Underwriting Risk	25
PCC Solo Underwriting Risk Profile.....	25
PCC Group Underwriting Risk Profile.....	26
Core Underwriting Risk Profile.....	26
Absolut Cell underwriting risk profile	26
UIB Cell underwriting risk profile.....	27
Freedom Health Cell Underwriting risk profile.....	28
Unlimitedcare Cell Underwriting Risk Profile	28

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Underwriting Risk Sensitivities for Cells and Core	28
C.2 Market Risk	29
PCC Solo Market Risks.....	29
PCC Group Market Risks	29
Market Concentration Risk	29
Currency risk	29
Price risk.....	29
C.3 Credit Risk	30
Exposure by Holding Company, Cells and Core	30
Management of Credit Risk	30
Assessment and risk mitigation used for market and credit risks.....	30
Risk sensitivity testing for credit risks.....	31
C.4 Liquidity Risk	31
C.5 Operational Risk.....	31
Assessment of exposures.....	31
Risk sensitivity for operational risks	33
C.6 Other material risks	33
C.7 Any other information	34
PCC Strategy Risk	34
PCC Structural Risk.....	35
PCC Reputational Risk.....	35
External Risk Factors	35
Economic Deterioration	36
Climate Change	36
Social Responsibility Risks.....	36
Cyber Risk.....	37
Regulatory or legal changes.....	37
Pandemics	38
Geopolitical Unrest & War Risks.....	38
Inflation, including social inflation Risk	38
Outsourcing Risk	38
Risk sensitivity.....	39

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

E.	Valuation for Solvency Purposes	40
D.1	Assets.....	40
	Assets – Solo	40
	Assets – Group	40
D.2	Technical Provisions	43
	Solo Technical Provisions.....	44
	Group Technical Provisions.....	44
D.3	Other Liabilities.....	45
D.4	Alternative methods for valuation	46
D.5	Any other information.....	46
F.	Capital Management.....	47
E.1	Own Funds	47
	Structure of Own Funds.....	48
	Ancillary Own Funds	49
E.2	SCR and MCR.....	50
	Solvency Capital Requirement – PCC Solo.....	50
	Solvency Capital Requirement – PCC Group.....	52
	Loss Absorbing Capacity of Deferred Taxes (“LACDT”).....	53
	Simplified Calculations.....	54
	Minimum Capital Requirements (MCR) – PCC Solo.....	54
	Minimum Consolidated Group SCR – PCC Group.....	55
E.3	Use of the duration-based equity risk sub-module in the calculation of the SCR.....	55
E.4	Differences between the standard formula and any internal model used	55
E.5	Non-compliance with the MCR and non-compliance with the SCR	55
E.6	Any other information	55
G.	Quantitative Reporting Templates	56
	Solo QRTs	56
	Group QRTs	65

A. Executive Summary

Business

Advent International Holdings Limited ("AIHL") and its subsidiary Advent Insurance PCC Limited ("AIPCC"), a licenced insurance undertaking, constitute an insurance group (collectively "the Group"). AIHL acts as a holding company holding shares in AIPCC, whilst AIPCC is a protected cell company ("PCC") authorised by the MFSA on 29th March 2011 to carry on business of insurance and to exercise passport rights under freedom to provide insurance services, from its Core and individual Cells, into EU or EEA States.

Directors of AIHL: Christian Farrugia
David Starforth Hill

Directors of AIPCC: Christian Farrugia
David Starforth Hill
Dorothy Kim Vella
Michael Aroskin

The PCC is licenced by the MFSA under the Insurance Business Act (Chapter 403 of the laws of Malta) to carry on business of insurance in the following general classes of business:

- Class 01 - Accident
- Class 02 - Sickness
- Class 03 - Land Vehicles
- Class 04 - Railway rolling stock
- Class 05 - Aircraft
- Class 06 - Ships
- Class 07 - Goods in transit
- Class 08 - Fire and natural forces
- Class 09 - Other damage to property
- Class 10 - Motor Vehicle Liability
- Class 11 - Aircraft liability
- Class 12 - Liability for ships
- Class 13 - General liability
- Class 14 - Credit
- Class 15 - Suretyship
- Class 16 - Miscellaneous financial loss
- Class 17 - Legal Expenses
- Class 18 - Assistance

The PCC is also licenced by the MFSA under the Insurance Business Act (Chapter 403 of the laws of Malta) to carry on business of reinsurance in the following general classes of business:

- Class 01 - Accident
- Class 02 - Sickness

The PCC has three operational Cells.

System of Governance

AIPCC has developed a robust system of governance which ensures the sound and prudent management of the Group, the PCC and its Cells. In 2025, the PCC had 4 Directors. The Cells are overseen by a Cell Committee established for each Cell and through oversight of the Board of Directors. The governance structure ensures that collectively, the Board, its Committees, key function holders and senior executives are fit and proper, knowledgeable, and experienced in managing insurance business and all the interconnected areas that an insurance undertaking should be responsible for.

The Company operates four key functions, all directly reporting to the Board of Directors. Each Key Functions is overseen by a Board member or the Board collectively.

Valuation for Solvency Purposes

The valuation principles applied to these assets are consistent with those used in the Statutory accounts (IFRS), with any differences in valuation set out Section D.

The Solvency II technical provisions comprise the best estimate of liabilities and risk margin according to articles 75 to 86 of the Solvency II Directive.

Capital Management

Own funds of the PCC and its constituent parts are managed as part of the financial and solvency management processes which are a focal point at every quarterly Board meeting and quarterly cell committee meeting.

As part of own fund management, and within its ORSA process during which risk and capital management functions interact, the PCC prepares annual solvency projections with three-year time horizons. As part of this process, it reviews the structure of own funds to ensure that they will be both sufficient, and of the appropriate quality to satisfy future requirements.

The Minimum Capital Requirement ("MCR") and the Solvency Capital Requirements ("SCR") were always maintained during 2025.

B. Business and Performance

A.1 Business

Name of the undertaking: Advent International Holdings Limited ("AIHL")

Company Reg. Number: C52180

Legal Status: AIHL acts as a holding company holding shares in a subsidiary company Advent Insurance PCC Limited ("AIPCC"), being a licenced insurance undertaking.

AIPCC is a protected Cell company ("PCC" or "Company") authorised by the MFSA on 29 March 2011 to carry on business of insurance and to exercise passport rights under freedom to provide services in insurance, from its Core and individual Cells, into EU and EEA States.

Address of AIHL: The Landmark, Level 1, Suite 2, Triq l-Iljun, Qormi QRM 3800, Malta

Directors of AIHL: Christian Farrugia

David Starforth Hill

Address of AIPCC: The Landmark, Level 1, Suite 2, Triq l-Iljun, Qormi QRM 3800, Malta

Directors of AIPCC: Christian Farrugia

David Starforth Hill

Dorothy Kim Vella

Michael Aroskin

Supervisory Authority: Malta Financial Services Authority ("MFSA")

Contact Details: Ray Schembri

Insurance and Pensions Supervision Unit

Malta Financial Services Authority

Triq l-Imdina, Zone 1,

Central Business District, Birkirkara,

CBD 1010, Malta

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Statutory Auditor: Deloitte Audit Ltd

Mark Giorgio

Deloitte Place,
Triq L-Intornjatur,
Central Business District
Malta, CBD3050

AIPCC's ordinary non-Cellular shares are wholly owned by AIHL, a company registered in Malta, which is itself a 100% owned subsidiary of OneAdvent Limited, a company incorporated in Ireland. The Company's ultimate holding undertaking is Abbey International Finance Limited, a company incorporated in Ireland.

AIHL and AIPCC Core (for ordinary shares excluding third party Cellular shares) comprise the PCC Group (the "Group"), as defined by the Solvency II Directive. In addition to the Solo data provided herein for the PCC, data pertaining to the PCC Group is provided in this report.

The Cellular shares of the other Cells are owned by third parties who are unrelated to Advent Insurance PCC Limited or its holding or parent companies.

For the purposes of group solvency, method 1 – accounting consolidation-based method – has been used.

Material lines of business and material geographical areas

The PCC is licenced by the MFSA under the Insurance Business Act (Chapter 403 of the laws of Malta) to carry on business of insurance in the following general classes of business:

- Class 01 - Accident
- Class 02 - Sickness
- Class 03 - Land Vehicles
- Class 04 - Railway rolling stock
- Class 05 - Aircraft
- Class 06 - Ships
- Class 07 - Goods in transit
- Class 08 - Fire and natural forces
- Class 09 - Other damage to property
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- Class 13 - General liability
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The PCC is also licenced by the MFSA under the Insurance Business Act (Chapter 403 of the laws of Malta) to carry on business of reinsurance in the following general classes of business:

- Class 01 - Accident
- Class 02 - Sickness

CORE

The French loss of rent business written in the Core went into run-off on 31 December 2020 and continued its run-off during 2025.

Cells

At 31st December 2025 the PCC had three operational cells open for new business:

- Absolut Cell provided, under general insurance Class 16 (Miscellaneous Financial Loss), travel insurance to customers based primarily in Belgium, plus Loss of Licence insurance (affiliated risk).
- UIB Cell provided, under general insurance Classes 1 (Accident) and 2 (Sickness), income protection and accident insurance. It handled the run-off of the UK business, as this is no longer written in the Cell due to Brexit related restrictions. During 2022 it accepted an inward portfolio transfer of EU risks, based mainly in Germany and Spain, which continued to be renewed through the Cell in 2025.
- UnlimitedCare Cell provided, under general insurance Classes 1 (Accident) and 2 (Sickness), private medical Insurance, to customers based in Portugal. Although the Cell has passporting rights into Spain, it wrote no business in that territory during 2025.

Significant events

During 2024 a Sale and Purchase Agreement was signed with a third-party and an application for the Change in Control was submitted to the MFSA. The shareholders of AIHL reached agreement with a third-party to acquire the company. That agreement was subject to regulatory approval, which though received, was itself subject to conditions. The prospective buyer failed to meet those conditions and, as a result, shareholders have decided to terminate discussions. After thorough consideration, the shareholder has made the decision to change its strategy, which will result in the Company winding down its operations in the near future, in an orderly manner. The MFSA have been duly informed of such steps and a Supervisory Engagement Meeting was held in March 2026 to discuss the planned course of action.

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

The below table shows the Underwriting performance per material line of business.

PCC SOLO DATA - TECHNICAL RESULT - YEAR ENDED 31 DECEMBER 2025					
	Medical expense insurance	Income protection insurance	damage to property insurance	Miscellaneous financial loss	Total
Premiums earned	523,666	7,743,769	-	8,947,277	17,214,712
Reinsurers outwards	-	(51,233)	-	-	(51,233)
Net Claims incurred	(11,035)	(971,744)	-	(2,939,402)	(3,922,181)
Expenses incurred	(424,978)	(281,229)	(35)	(3,219,850)	(3,926,092)
Balance - other technical expenses/income	-	-	-	-	-
Technical underwriting result	87,653	6,439,563	(35)	2,788,025	9,315,206

In comparison, the 2024 data can be found below.

PCCSOLO DATA - TECHNICAL RESULT - YEAR ENDED 31 DECEMBER 2024					
	Medical expense insurance	Income protection insurance	Fire and other damage to property	Miscellaneous financial loss	Total
Premiums earned	488,664	8,132,454	-	11,363,431	19,984,549
Reinsurers outwards	-	(51,750)	-	-	(51,750)
Net Claims incurred	(9,109)	(1,612,163)	-	(2,082,107)	(3,703,379)
Expenses incurred	(431,471)	(1,013,445)	-	(3,298,730)	(4,743,646)
Balance - other technical expenses/income	-	-	-	-	(500)
Technical underwriting result	48,084	5,455,096	-	5,982,595	11,485,274

The below table shows the Underwriting performance by geographical area. The position for 2025 is provided below.

PCC SOLO DATA - TECHNICAL RESULT - YEAR ENDED 31 DECEMBER 2025								
	Medical expense Insurance		Income protection Insurance			Property	Miscellaneous	
	Spain	Portugal	UK*	Germany	Spain	France	Belgium	France
Gross - Direct Business	-	545,949	-	6,894,167	871,298	-	8,945,676	-
Claims Incurred	-	11,035	(14,102)	875,232	110,614	-	2,939,402	-
Acquisition costs	-	365,415	-	186,300	164,161	-	3,214,477	-
								3,930,353

*UK portfolio in run-off

The 2024 position is provided below.

PCCSOLO DATA - TECHNICAL RESULT - YEAR ENDED 31 DECEMBER 2024								
	Medical expense Insurance		Income protection Insurance			Property	Miscellaneous	
	Spain	Portugal	UK*	Germany	Spain	France	Belgium	France
Gross - Direct Business	-	521,255	-	7,187,177	948,309	-	10,843,096	-
Claims Incurred	-	9,109	(105,347)	1,532,610	184,900	-	2,082,107	-
Acquisition costs	-	348,703	-	188,642	204,403	-	3,237,047	-
								3,978,795

*UK portfolio in run-off

Group Consolidated

The Group is running off Property and Miscellaneous Financial Loss policies in France, through the Core. Below are the figures for 2025 and 2024.

PCC GROUP DATA - TECHNICAL RESULT - YEAR ENDED 31 DECEMBER 2025			
	Property	Miscellaneous Financial Loss	Total
	France	France	
Claims incurred	-	-	-
Acquisition costs	-	-	-

PCC GROUP DATA - TECHNICAL RESULT - YEAR ENDED 31 DECEMBER 2024			
	Property	Miscellaneous Financial Loss	Total
	France	France	
Claims incurred	-	-	-
Acquisition costs	-	-	-

A.3 Investment Performance

Solo PCC

The finance income and investment gains earned by the PCC on a Solo basis during 2025, compared with 2024, are summarised below.

PCC SOLO INVESTMENT INCOME FOR THE YEAR ENDED 31.12.2025 COMPARED WITH YEAR ENDED 31.12.2024						
Income	Core		All Cells		Total	
	2025	2024	2025	2024	2025	2024
Interest & Investment income received	94,757	110,999	599,293	710,656	694,050	821,655
Net FX gains (losses)	-	640	(3,634)	233,334	(3,634)	233,974
Net gains (losses) on investments	7,465	74,460	(29,688)	79,710	(22,223)	154,170
Total	102,222	186,099	565,971	1,023,700	668,193	1,209,799

In 2025, the Company's investment income has decreased when compared to 2024, primarily due to the Core's investment portfolio which was liquidated in April 2025. The proceeds from the liquidation of investments were reinvested in fixed term deposits. The decrease in interest and investment income for cell mainly relates to UIB cell which during the year term deposits that matured were not renewed as these funds were used for financing the dividend payments.

Group Consolidated

The financial income and investment gains earned by the PCC on a Group basis during 2025, compared with 2024, are summarised below.

PCC GROUP INVESTMENT INCOME FOR THE YEAR ENDED 31.12.2025 COMPARED WITH YEAR ENDED 31.12.2024						
Income	AHL		Core		Total	
	2025	2024	2025	2024	2025	2024
Interest & Investment income received	-	-	94,757	110,999	94,757	110,999
Net FX gains (losses)	(171,939)	86,472	(660)	640	(172,599)	87,112
Net gains (losses) on investments	-	-	8,125	74,460	8,125	74,460
Total	(171,939)	86,472	102,222	186,099	(69,717)	272,571

The Group received interest income and investment gains in 2025, driven by the bank term deposits and the investment portfolio of the Core. The net FX losses relate to the realised losses in relation to the AIHL intercompany loans (both receivable and payable) settled with USD bank balances, while the investment gains are due to the movement in the fair value of the investment portfolio.

Investments in securitisation

There are no investments in securitisation, with no plans for entering into such investments.

A.4 Performance of other activities

There are no material operating or financial lease arrangements.

A.5 Any other information

There is no other material information that needs to be disclosed.

B. System of Governance

B.1 General information on the System of Governance

Composition of the Board of Directors

The PCC is governed by a Board of Directors. At 31 December 2025 the Board constituted four directors, four of whom were resident in Malta. The Board members were David Hill (UK), Dr Christian Farrugia (Malta), Dorothy Kim Vella (Malta) and Michael Aroskin (Malta). Dr Farrugia is the non-executive Chairman of the Company. The Board members collectively have qualifications and expertise in Accounting, Insurance Underwriting, Insurance Distribution, Risk Management, Compliance, and Law. The Board is responsible for the strategic management of the PCC. It oversees all PCC operations and appoints and supervises insurance managers and key function holders. All material decisions relating to or made by the Cells are subject to the approval of the Board. The Board meets at least once every quarter, and more frequently when required.

Responsibilities of the Board of Directors

- a. Ensuring the effective, prudent and ethical oversight of the business and its constituent Cells, including appointment of Insurance Managers, key function holders and Cell committee members.
- b. All material decisions relating to or made by the Cells are subject to Board approval.
- c. Setting the business strategy and risk appetite of the Company, in light of the business strategy of the shareholder.
- d. Ensuring that risk and compliance are effectively managed in the Company.
- e. Ensuring that the solvency, liquidity, and minimum capital requirements are always maintained.

Board oversight of key functions

The Board oversees four key control functions, plus any investment decisions, in line with Solvency II requirements: risk management, actuarial, compliance and internal audit. These functions are collectively tasked with providing oversight of and challenge to the business, and for providing assurance to the Board in relation to the Company's control framework. The Board has recently been enhanced with two new members, one to oversee the Audit function and the second to oversee the Risk Management function. Board oversight of the key functions is organised as follows:

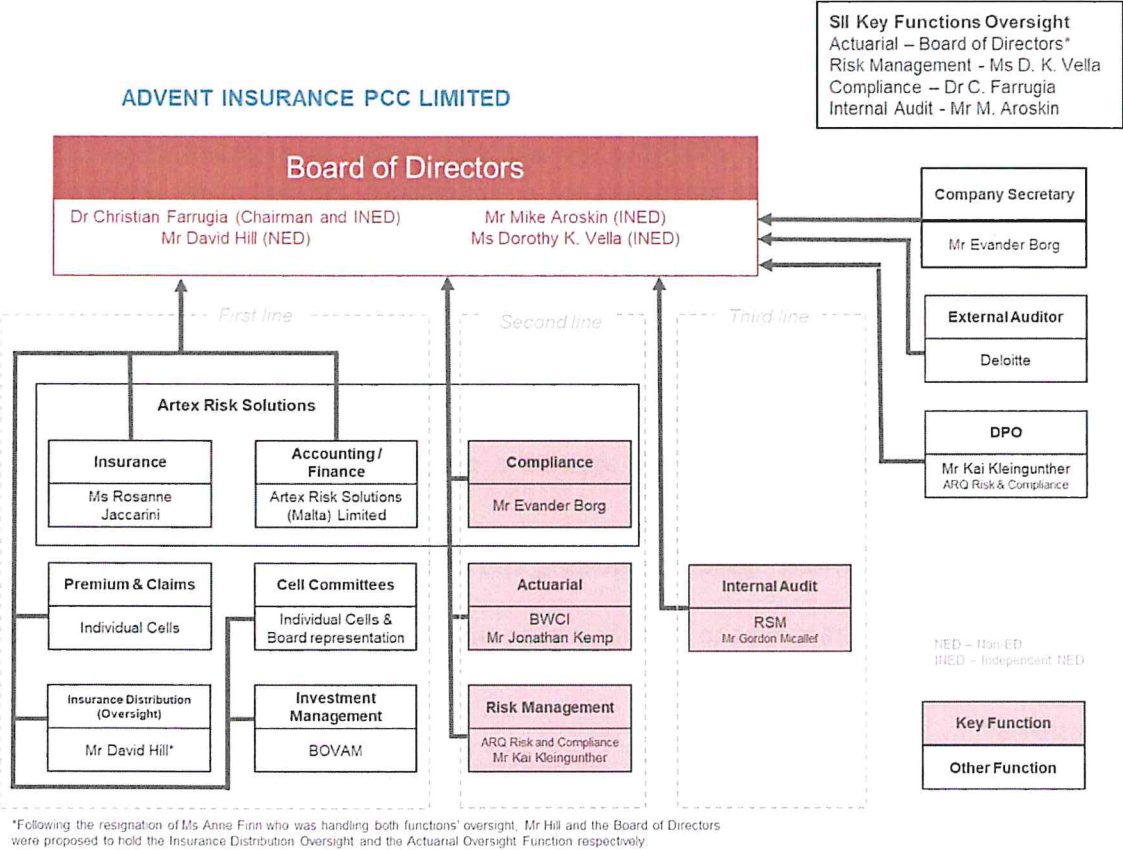
- **Risk Management Function:** Dorothy Kim Vella
- **Compliance Function:** Christian Farrugia
- **Actuarial Function:** the Board collectively
- **Internal Audit Function:** Michael Aroskin

Remuneration entitlements

The PCC has no employees. Directors are paid an annual fee, or an hourly rate on a consultancy basis, not tied directly to the profit margins or financial performance of the company.

Organisation Structure

The below chart provides information relating to the undertaking's delegation of responsibilities, reporting lines and allocation of functions, as at 31 December 2025.



B.2 Fit and Proper requirements

It is the PCC's policy to ensure that:

- a. All personnel involved with the PCC including shareholders, directors and outsourced providers are fit and proper persons within the regulatory definitions including being i) suitably qualified and experienced to carry out the functions delegated to them and ii) of good character.

- b. There is proper diversity of qualifications, knowledge, and relevant experience, collectively across the Board and holders of key functions.
- c. The Board collectively includes members knowledgeable in insurance and financial markets, business strategy and business modelling, governance, financial and actuarial analysis and regulatory requirements.
- d. Background checks are carried out on all individuals it employs, or contracts with external parties, to ensure their 'fit' and 'proper' status, using checking processes such as: online resources, professional search companies, industry contacts and personal references, interviews and, where appropriate tests and assessments.
- e. All prospective personnel and third-party entities are subject to a probationary period and all outsourcing and consultancy arrangements are cancellable, within a short-term notice period.
- f. All Board members, qualifying shareholders, senior employees/outsourced providers holding key functions such as compliance, internal audit, actuarial, risk, financial, and underwriting are subject to the personal questionnaire process and approval by MFSA.
- g. The performance and integrity of individuals and third-party providers are continually monitored and evaluated through interaction and 'four eyes' output review and assessment.
- h. The Board carries out self-evaluations annually.
- i. Outsourced service providers appoint a person to be responsible for the outsourced function.

B.3 Risk Management system including the ORSA

The Risk Management System aims to identify, assess, manage, monitor, and report on risk exposure. The Risk Management Function is outsourced to ARQ Risk & Compliance Ltd.

Responsibility

The Board is responsible for setting the PCC's risk appetite and overall risk tolerance limits as well as approving and implementing the main risk management strategies and policies.

Risk Management Strategy - Risk Register and Risk Matrix

The PCC has developed and approved a risk taxonomy defining the key and subsidiary risks to which the PCC is exposed. Individual specified risk appetite and tolerance metrics are set out separately for the Core and individual Cells. Through the Risk Registers the PCC aims to identify and capture all material risks and assess their impact and probability. Within them the PCC:

- a. Grades inherent risks by probability and impact, from which an overall inherent risk grade is derived.
- b. Outlines the strategies in place for management, control, and mitigation to limit its exposure to each material risk.

- c. Regrades residual risks after taking account of the effectiveness of its internal control mitigations.
- d. Focuses on the key residual risks, and their alignment to the risk appetite of the PCC.

Risk Management Strategy – Control Register

As part of the ongoing improvement to risk governance and internal control system of the PCC, the risk function has developed a comprehensive risk control register for the Core. The control register maps each identified risk found in the risk register and details/ itemises the controls in place (including policies, procedures and reporting or monitoring mechanisms) to mitigate each risk.

Strategy for managing Insurance and Investment Risks

The PCC's strategy for managing Insurance and Investment risks is to:

- a. Select quality insurance risks with skilled underwriting assessment.
- b. Retain insurance risk within approved risk appetite and solvency requirements.
- c. Reinsure insurance risk above the selected net retention levels.
- d. Handle claims and reserving risk with suitable expertise and quality information.
- e. Diversify investment risk through careful selection of counterparties, either directly or through the appointment of qualified, licensed investment managers, with ongoing review and management
- f. Invest in instruments and deposits that offer it security, credit quality, liquidity, appropriate duration, accessibility and profitability and which do not, as far as the Investment Manager is aware, engage in unethical practices.
- g. Monitor changing environment and market conditions that affect risk.

Strategy for managing other risks

The PCC's strategy for managing other business, operational, reputational, strategy and governance risks is to:

- a. Identify and analyse such risks through a multi-disciplinary, enterprise-wide holistic risk assessment process.
- b. Accept certain risks within agreed risk tolerances and with appropriate solvency.
- c. Mitigate or avoid risks that do not fit within the PCC's business objectives by risk control and reduction techniques.

Obligation to invest using the 'prudent person principle'

The Board is aware of the PCC's obligation to invest all assets in accordance with the 'prudent person principle' set out in Article 132 of Directive 2009/138/EC and ensures that the objectives of its Investment and Asset Liability Risk Policies are aligned with this principle, as

is its conservative investment strategy. Assessment and risk mitigation techniques used for credit risks are discussed in Section D.

Monitoring and reporting of risk positions

The PCC's strategy for monitoring and reporting of actual risk positions involves several functions and processes. The Risk Function is primarily responsible for reporting to the Board on risks or risk events that the Board or the Risk Function has identified as potentially material; and on other specific areas of risk as they arise, both on its own initiative and at the request of the Board. In addition, there is an:

- a. Annual review of individual risk registers (for Core and each Cell) by board and respective Cell committee.
- b. Quarterly oversight of risk appetite tolerance versus actuals, including oversight of agreed remedial actions to any breaches in risk appetite thresholds.
- c. At least annual report of compliance position to Cell committees.
- d. Quarterly reporting of premium, claims, cash flows, bank balances, investments, expenses, debtors' balances, liquidity position to Board (for Core and all Cells) and to each respective Cell committee.
- e. Quarterly report from compliance function to Board.
- f. Annual actuarial function report to Board.

Performance, Internal documentation and review of the ORSA

ORSA Frequency

The PCC carries out an ORSA annually and would also carry one out if there was a significant change in its business strategy or profile. All ORSA processes are managed, monitored, controlled, and reviewed by the Board, and ORSA reports are subject to its approval.

ORSA Process

- a. Quarterly board meeting updates to Board on progress.
- b. The Board reviews key policies.
- c. The Board or Cell owner/Committee defines the Company or Cell's strategic business objectives within the ORSA planning horizon.
- d. The Cell owners assist in the qualitative and quantitative assessment of their individual risks including assessment of inherent risks, evaluation of the effectiveness of risk mitigations and controls, and residual risk levels.
- e. Cell and Core Risk Registers are updated annually to ensure and capture all known risks, in a detailed individualised, granular, approach for each risk area.
- f. Risk tolerance levels are set for the Core and Cells in the light of their known strategic business objectives.

- g. The Company's ORSA team (Insurance Managers (Artex) and Risk Management Function Holder in consultation with the Board) reviews the Cells' and Core's proposed strategic business objectives and projections and develops suitable stress tests in light of risk appetite and tolerances, encompassing extreme but plausible scenarios across main risk areas, deriving assumptions from Cell and market level loss experience.
- h. The Actuarial Function gives an opinion on stress test choices.
- i. The Actuarial Function prepares Stress test calculations.
- j. Risk appetite, tolerance levels, and appropriate risk controls and mitigations are revisited in the light of the assessments, and changes made as needed.
- k. An ORSA report is prepared and an ORSA record is maintained.
- l. The ORSA process involves review of financial results, actual loss experience over projections, audit reports, actuarial function reports, operational reports particularly of any current or potential problem areas.
- m. The Board reviews a draft report, including stress tests and the impact of scenarios on key regulatory ratios.
- n. Further meetings are held until the Board is satisfied that all queries and points have been resolved, when the final ORSA report is approved.

ORSA integration into strategic decision making

The ORSA's objective is to ensure an effective level of Enterprise Risk Management to enable the company to identify, assess, monitor, prioritise and report on the nature and scale of its material and relevant risks and to assess the adequacy of its risk management structures and current and prospective solvency positions under normal and severe stress scenarios, in the light of those risks. The information and knowledge thus obtained allows the PCC to understand and manage not only its current risks and solvency needs, but to consider the effects its strategic decisions will have on its future risk profile, regulatory capital requirements and ensure it holds appropriate buffers to maintain its overall solvency both in normal and stress scenarios. The ORSA is therefore a tool to assist the Board and Cell owners in decision making and strategic analysis and in achieving their business objectives in a robust Enterprise Risk Management environment.

B.4 Internal Control System

The Board is also responsible for the oversight and review of the Company's corporate governance system, including Internal Controls and Compliance.

Key Internal Control Procedures

The Internal Control System aims to assist the Board of Directors and Management to fulfil their respective responsibilities for oversight and management of the PCC. The System is

governed by the Compliance and Internal Controls Policy of the PCC and is intended to provide the Board with reasonable assurance from a control perspective that the business is being operated consistently by:

- a. Setting out the roles and responsibilities of control owners, control oversight and independent assurance on control effectiveness.
- b. Monitoring continuous compliance with applicable laws, regulations, company policies and control processes.
- c. Ensuring processes are efficient and effective.
- d. Ensuring availability of sufficient and reliable financial and non-financial information to effectively manage the business.
- e. Informing key functions of facts relevant for the discharge of their duties, in the event of material changes to the PCC's internal controls.
- f. Develop and promote a risk culture that values compliance and internal controls.
- g. Ensuring adequate protocols and procedural guidelines for the PCC's key business, IT, and financial policies and processes, including for accounting and financial reporting, and that related risk management and compliance measures are in place.

The system itself will form part of the annual Compliance Plan and is subject to continual reviews to improve internal controls and oversight. The board will be aided in this respect by internal audit reports.

The key components underlying the Compliance and Internal Control Policy

- a. Roles & Responsibilities.
- b. Operational Risk.
- c. Business Risk.
- d. Compliance and Regulatory Risk.
- e. Monitoring and reporting arrangements.
- f. Incident Management and Continuity Planning.

B.5 Internal Audit Function

Independence of Internal Audit Function

The Internal Audit Function of the PCC is outsourced to RSM, an independent professional firm in Malta.

Reporting to the Board

Since 2023 Mr. Aroskin is the Director with oversight of the Internal Audit Function. He also is the Chairman when the Board convenes as the Audit Committee. The Internal and External Auditors report directly to the Board on the outcome of the audits, their findings, and recommendations.

Internal Audit responsibilities and scope

It is the responsibility of the Internal Audit Function to:

- a. establish, implement and maintain an internal audit (IA) plan over at least a three-year planning period, considering all activities and the complete system of governance of the PCC, using a risk-based approach to decide audit priorities.
- b. issue an internal audit report to the Board upon completion of each audit area as outlined in the approved IA plan. The report includes observations and recommendations, as well as the timeframe, and the persons responsible for addressing the recommendations.
- c. verify compliance with Board decisions taken based on audit recommendations.

Activities and functions within the PCC, including the related activities within Cells, fall within the scope of the Internal Audit Function. Responsibility for following up Internal Audit recommendations rests with the Board with the respective function responsible, as appropriate.

B.6 Actuarial Function

Implementation and Objectivity

The Actuarial Function is outsourced to BWCI, a Guernsey based firm of actuaries. The qualified actuary is independent of both the PCC and the Insurance Managers, and is not involved with the PCC's day-to-day operations, thus ensuring the function is objective and free from the influence of other functions or from the PCC's Board and management.

Responsibilities

The Actuarial Function is responsible for:

- a. Co-ordinating the calculation of technical provisions in order to: a) explain any material effect of changes in data, methodologies or assumptions between valuation dates; b) report on the consistency of the technical provisions with the requirements set out in the Solvency II EU directive, and to propose any corrections needed.
- b. Ensuring the appropriateness of methodologies and internal models used, and assumptions made, in the technical provision calculations.
- c. Assessing the sufficiency and quality of the data used the technical provision calculations.
- d. Comparing best estimates against experience.
- e. Informing the Board of the reliability and adequacy of the technical provision calculations.
- f. Overseeing the calculation of technical provisions as set out in Article 82 of Solvency II directive.

- g. Expressing an opinion on the overall underwriting policy.
- h. Expressing an opinion on the adequacy of reinsurance arrangements (if any).
- i. Contributing to the effective implementation of the risk-management system referred to in Article 44 of Solvency II directive, particularly with respect to the risk modelling underlying the calculation of the capital requirements.
- j. Reporting to the Board at least annually documenting all material tasks undertaken and their results, clearly identifying deficiencies, and giving recommendations on how to remedy such deficiencies.

B.7 Outsourcing

Rationale for Outsourcing

The business strategy of the PCC is to insure portfolios of risks on a Freedom of Services basis in various parts of the EU. This strategy results in a need for localised market access, technical, legal and linguistic expertise, and cultural knowledge, in the risk territories, to facilitate the management of the business. To this end the PCC outsources underwriting, distribution and claims handling services to various service providers in the risk territories.

Outsourcing Policy

The PCC has established an Outsourcing Policy which sets out the requirements for identifying, justifying, and implementing material outsourcing arrangements. The policy includes, inter-alia, the following:

- a. Definition of outsourcing and critical outsourcing.
- b. Board and Management responsibility.
- c. Pre-outsourcing feasibility.
- d. Outsourcing Assessment & Selection Process.
- e. Due Diligence.
- f. Service Level Agreements.
- g. Management and control of the Outsourcing Relationship.
- h. Intra-Group Outsourcing.

The PCC's outsourcing arrangements, and the outsourcing policy, are subject to continual Board review.

List of Outsourcing arrangements and the jurisdictions they operate in

Function	Jurisdiction
Management and Administrative Services	Malta
Accounting	Malta
Compliance	Malta
Risk Management	Malta
Actuarial	Guernsey
Internal Audit	Malta
External Audit	Malta
Investment	Malta
Underwriting and Claims	EU

B.8 Compliance Function

Compliance Responsibility

The Board has appointed a Compliance Officer, who is an employee of Artex Risk Solutions (Malta) Ltd, and a Board member to oversee the Compliance Function. The Compliance Function is recognised as a key part of the PCC's internal control system, identifying, assessing, monitoring, and reporting on the compliance risk exposure of the PCC. The specific role of the Compliance Officer is set out in the PCC's Board approved Compliance and Internal Controls Policy. As part of the Compliance Plan the Board will monitor and improve compliance activity attendance by the Compliance Officer and reporting at every scheduled board meeting.

The key responsibilities of the Compliance Function are:

- a. Advising the Board on compliance with regulations
- b. Assessing the possible impact of any changes in the legal environment
- c. Identifying and assessing compliance risk.

Compliance Function activities

The Compliance Function is performed in accordance with Article 46(2) of Directive 2009/138/EC. During the reporting period the Compliance Officer presented a report to the Board at the quarterly Board meetings which outlined the following:

- a. The adequacy and effectiveness of the Governing Information set by the Compliance Function.
- b. Key changes and developments in applicable laws, rules, and regulations.
- c. A summary of the Compliance structure and resources.
- d. A summary of findings and recommendations from the Compliance Function, including breaches and deficiencies in the Company's organisation and compliance process.

C. Risk Profile

C.1 Underwriting Risk

PCC Solo Underwriting Risk Profile

The PCC, in its constituent parts, is exposed to underwriting risk through various general insurance products including travel cancellation insurance, personal accident & income protection insurance and private medical insurance. Taken as a whole, the PCC is considered to have low underwriting concentration risk, as its underwriting exposures are diversified across unconnected portfolios and Cells, and over a range of products, risks and territories. Further, the Cells are legally and contractually segregated and thereby protected from the losses of other Cells and from the Core.

Since the previous report, the PCC is no longer exposed to miscellaneous financial loss insurance in the form of loss of rent covers and motor guaranteed asset protection (GAP) covers, or property cover related to the miscellaneous financial loss insurances following the exit of the respective insurance Cells providing these products or the discontinuation and run-off of the insurance products.

A key control of the PCC over its underwriting risk is a thorough pre-acceptance assessment of Cell & Core portfolio proposals, and ongoing monitoring of the results and outcomes of these portfolios, once accepted. These assessments ensure the portfolios meet the PCC's acceptance criteria, the optimum profile being relatively high frequency of relatively low value attritional losses of which the majority historically fall within a predictable monetary range, and are individually capped by policy limits, or by the restricted nature of the risk and cover. The portfolios must be sustainable with good risk spread, medium to high premium volume, and a history of consistent profitability. The portfolios must be introduced and managed by experienced professionals with proven track records and high regulatory and market standing.

Each Cell, and Core portfolio (albeit the Core portfolio is no longer active), has its own separate and distinct underwriting profile and operations, with its own mechanisms for assessing, monitoring and controlling its individual underwriting risks, within its specified risk appetite statement. However, all Cells share a common process centred around individual risk registers, which are qualitative analyses of various inherent risk categories, and individual risk matrices which contain quantitative parameters of risk appetites and tolerances against which risk events are monitored. Underwriting is considered one of the main risk exposures, although mitigated by the factors discussed in the preceding paragraph. Scrutiny and analysis of regular detailed premium and claims reported results, vis-à-vis the stated risk tolerances and appetites, are the main methodologies for monitoring and controlling this risk. Results are reviewed at regular Cell committee meetings and at quarterly Board meetings.

The nature of the exposures, the concentration risk within portfolios, the mechanisms for risk assessment and control, including risk mitigations, are discussed in the next section for each Cell, and for the Core. The Cell/Core risk exposure profile is discussed in terms of volatility whereby portfolios are considered non-volatile if they have a medium to high volume of low value exposures where a single loss would have a negligible impact on underwriting results or solvency capital requirements. Portfolios with larger single loss limits, and less frequent losses, are considered more volatile. Concentration and catastrophe risk is measured by the potential for two or more claims from different insureds to emerge from the same event. Concentration and volatility levels are key criteria for determining the need, or not, for reinsurance protection.

The underwriting risks considered on a Cell by Cell basis are underwriting pricing risk i.e. the risk that premiums charged will be insufficient to cover losses, or the product does not perform as expected, underwriting reserving risk i.e. the risk that reserves held will be insufficient to pay for ultimate claims, underwriting concentration and catastrophe risk i.e. the exposure of multiple insureds to the same event, reinsurance strategy and concentration risk.

PCC Group Underwriting Risk Profile

The group underwriting risk profile comprises the underwriting risks of the Core.

Core Underwriting Risk Profile

The risk of poor product design, poor underwriting acceptance criteria or inadequate rating are mitigated by the fact that the French based Chevalier Residential Loss of Rent portfolio is in technical run-off, and its insurance risks are no longer under consideration.

Any future launch of new insurance products would be designed with appropriate mitigating controls put in place, under the supervision of the Board and would first go through the PCC's Product Oversight and Governance ("POG") procedures for new product launches.

Absolut Cell underwriting risk profile

Exposure: Absolut Cell provides holiday cancellation insurance to customers primarily based in Belgium. Its underwriting exposure consists of short tail, high volume, very low single value covers. The portfolio is considered non-volatile, as individual losses do not have the capacity to materially affect the Cell's underwriting result or solvency position. The Cell also writes pilot loss of licence cover for the Cell shareholder group, the premium and exposure of which is minimal when set in the context of the main portfolio. For this reason, it is not discussed further in this report.

Concentration & catastrophe: The Cell's concentration risk is also low because the insurances are spread over a wide range of unconnected customers, in respect of unconnected events. Its exposure to catastrophe risk i.e. the risk of multiple claims arising from one event, is mitigated by explicit terrorism and war exclusions, and is considered low. Further to this the increasing impacts of climate-related natural disasters, such as flooding or fire may have ripple effect on the travel insurance sector, possibly leading to multiple claims being

submitted. Lastly, the exposure to any pandemics that may have an impact on global and regional travel, can be minimized as the cancellation risk can potentially be transferred to the tour operator. Although pandemic risk had a serious impact to the top line of this Cell's income, due to the impact on travel. Written premium was severely impacted in 2020 but recovered somewhat in 2021, and materially so in 2022. However, the rate of claims was not affected, and the Cell remained very profitable on the business it had written. Since the pandemic, certain pandemic related cover has now been provided under the standard policies which could impact the loss ratios in the future in the event of a further outbreak of the Covid pandemic and could be manifested in the reserving risk. This continues to be closely monitored as does the potential for further travel disruptions to cause loss of premium income. Stress tests scenarios for this risk apply.

Pricing risk: The Cell's underwriting pricing risk is assessed and managed by reference to the portfolio's historic loss experience and the experience of similar portfolios in Europe, ongoing analysis of actual premium and claim data, and by pre-defining underwriting acceptance criteria. The short-term, short-tail nature of the risks enables pricing adjustments as necessary, to mitigate this risk.

Reserving risk: The risks connected with the calculation of technical provisions are considered moderate at most for Absolut, due to the particularly short tail nature of the risks, both in terms of reporting and of claim value determination and settlement. This is also tested within the stress tests scenarios (i.e., loss ratio increase.)

Mitigation: Because result predictability is enhanced by the availability of detailed historical statistics, low volatility, and the short tail and short-term nature of the covers, the Absolut Cell has not considered it necessary to purchase reinsurance protection to mitigate underwriting risk.

UIB Cell underwriting risk profile

Exposure: Since it commenced operations, this Cell has provided income protection and personal accident insurance to UK based customers. Due to Brexit related restrictions all of its UK portfolio has now been renewed into a UK based insurer in its own group, and the UK portfolio in the Cell is in run-off. The Cell accepted an inward portfolio transfer of similar EU based (mainly Germany and Spain) risks during Quarter 4 2022. Single maximum contractual limits are relatively high. However, the probability of a maximum claim occurring is considered low, based on 20 years' claim data. A typical large claim within the normal range is materially lower than the maximum single exposure. The risk profile is one of moderately low volatility, as a small number of maximum limit losses would be comfortably withstood by the Cell and would not materially affect its solvency status.

Concentration and catastrophe risk: UIB Cell has a low concentration risk because an event accidentally injuring several connected individuals or family members is possible. However, the concentration risk is mitigated by policy inner limits, deferred cover periods, along with terrorism and war exclusions. Catastrophe risk i.e. the risk of several claims from unrelated

individuals arising from a single large event, is also considered low because of i) good geographic risk spread, ii) Terrorism and War exclusions and iii) Pandemic exclusions in most parts of the portfolio.

Mitigation: Although the catastrophe risk is considered low, to mitigate against a major event involving large numbers of people in a public place, excess of loss reinsurance has been purchased to limit the Cell's retained exposure via a high-quality reinsurer.

Pricing Risk: The Cell's underwriting pricing risk is assessed and managed by reference to over 20 years of historic loss experience and ongoing actuarial analysis of premium and claim data. The personal accident contracts are monthly, and the income protection policies are annual. Therefore, rating and underwriting criteria can be adjusted quickly should loss experience deteriorate.

Reserving Risk: Short-tail claim reporting and payment horizons help mitigate the reserving risk, that reserves held will be insufficient to meet ultimate losses. Regular reserve reviews by an external actuarial service also provide assurances on reserving adequacy.

Freedom Health Cell Underwriting risk profile

The Freedom Health Cell has reached the end of its technical run-off and no longer has live underwriting risks.

Unlimitedcare Cell Underwriting Risk Profile

Exposure: Underwriting risk relates to healthcare insurance products sold to the general public in Portugal and Spain. The Portuguese limits are small, relating to consulting level expenses, and low fixed monetary hospital stay daily benefits. The Spanish risks cover which was written in 2021 was discontinued in 2022.

Concentration and catastrophe risk: The Cell has very limited concentration risk due to a wide customer base and the nature of the cover. Changes in global climate patterns are impacting the insurance sector more and more, leading to heightened risk exposures and increase in the frequency and severity of natural disasters, such as floods, droughts or wildfires.

Pricing Risk: The Cell's underwriting pricing risk is assessed and managed by reference to prior history and industry statistics. It is closely monitored and amended as deemed necessary.

Reserving Risk: Short-tail claim reporting and payment horizons help in assessing and controlling reserving risk.

Mitigation: The Cell does not purchase reinsurance for its Portuguese risks because of the nature of that portfolio which has very small single loss limits. No Spanish risks have been written since 2022.

Underwriting Risk Sensitivities for Cells and Core

In its annual Own Risk and Solvency Assessments (ORSA) the PCC tests the sensitivity of the Cells' and the Core's pricing, reserving, concentration and reinsurance strategy risks to

stressed events. Underwriting stress tests envisage loss ratio increases, either from full limit losses or a general rise in claims experience, and/or premium decreases. Projections indicate that the Core, currently operational individual Cells, and the consolidated PCC, will have sufficient capital to meet their solvency capital requirements (SCR) under base business projections. Stress test results were similarly positive, indicating that in all tested scenarios the SCR cover would remain sufficient over the planning period.

C.2 Market Risk

PCC Solo Market Risks

Market Risks comprised of the PCC's Solo consolidated pre-diversification base SCR at 31 December 2025. At the end of 2025, the PCC's financial assets related to group loans, cash at banks and certificates of deposits as well as corporate and government bonds. There is also a very small equities portfolio of quoted and unquoted equities.

PCC Group Market Risks

The PCC Group's investment assets at 31 December 2025 were bank deposits and investments managed through an appointed designated asset manager, and intra group company loans.

Market Concentration Risk

The concentration risk is connected with parental loans and bank deposits, alongside the value of any instruments invested in via the Core's appointed asset manager.

For the PCC Group the market concentration risk exists in the exposure by the Core and AIHL to group loans

Currency risk

During 2025 the PCC Core continues to hold Euros which is its primary operating currency, and the currency which is linked to its minimum guarantee fund. This continues to minimise the PCC's risk to currency risk, and that of the Group. The PCC Solo had historically carried currency risk as the working currency of some Cells was in Great Britain Pounds, however this has reduced since the discontinuation of the UK based insurance Cells. The ongoing geopolitical developments with the introduction of new tariffs by the US on various countries, has had an impact on the exchange rates of various currencies. These tariff increases may continue throughout this year, causing potential ripple effects to the currencies being traded. The PCC Solo manages the residual currency risk by regularly monitoring the relevant exchange rates, by matching the currency of assets to the denomination of liabilities and by reacting to material movements thereof.

Price risk

The PCC solo is exposed to nominal price risk in respect of its investment portfolio, that is predominantly held in high-quality liquid assets, classified as at fair value through profit or

loss. The fair value items are equities or money market instruments and together form an immaterial part of the PCC's total assets.

C.3 Credit Risk

Exposure by Holding Company, Cells and Core

A substantial amount of the Solo credit default SCR (prior to diversification) was in respect of Type 1 exposures: banks or money market instruments, the balance being in respect of Type 2 exposures: insurance receivables from intermediaries. 100% of the Group's credit default exposure was in respect of type 1 exposures: banks or money market instruments.

Management of Credit Risk

The Boards apply the *Prudent Person principle* to credit risks. The Investment Function manages credit risk by selecting counterparties based on their financial strength and ensuring reasonable risk spread or by appointing qualified investment managers to manage the investment portfolio of the PCC within low-risk, high-quality assets determined by a strict investment mandate. Investment portfolio performance is regularly monitored, and discussed at every committee and Board meeting, with detailed investment reports presented by the nominated investment manager.

During early 2023, the Board agreed a strategy to appoint an investment manager to diversify investments in high-quality liquid asset type investments and reduce concentration risk of holding large bank deposits with a small number of counterparties, albeit with strong credit ratings. The Core's risk of counterparty downgrade and/or default, which would negatively affect its solvency cover, is considered under stress scenarios. In 2025, the Board took a decision to redirect investments into certificates of deposit, considering the potential sale of the Company.

Assessment and risk mitigation used for market and credit risks

- i. For investment transactions, only counterparties with a high quality credit rating are permitted, except in some limited cases where counterparties are, for example, group companies. ESG ratings serve as an ancillary consideration in the Core's Investment Policy, after credit and liquidity factors are taken into account.
- ii. Credit rating is a main criterion in the selection of reinsurance counterparties, such that only counterparties that are well established multinational reinsurers with at least Standard and Poor's single A (or equivalent), are selected. The range of contracted reinsurance counterparties mitigates the default risk.
- iii. For direct insurance transactions the business is unavoidably placed with the PCC through unrated intermediaries, which is recognised as a moderate credit risk and is mitigated by ensuring properly structured and controlled bank accounts held in trust.

Assessment and risk mitigation techniques embrace the following methods:

- i. Robust contract terms and conditions with all counterparties

- ii. Monitoring the credit ratings and status of counterparties
- iii. At least quarterly reporting of cash, investment and liquidity positions
- iv. At least quarterly reporting of intermediary balances
- v. Intermediaries must be registered with and regulated by their home state supervisory bodies.

Risk sensitivity testing for credit risks

The PCC tests for exposure to market and credit risk, for example by measuring the impact of a downgrade in its investment and banking counterparties. Stress test results of the 2025 ORSA were conducted, indicating that the consolidated capital of the Solo PCC provides sufficient SCR cover for all tested scenarios during the forecast planning period in the event of deterioration in counterparty credit ratings.. In 2025, the Core liquidated its investment portfolio, and the funds were instead placed in short term deposit accounts with a reputable credit institution renewed at periodic intervals. The Core no longer has exposure to foreign currency risk, as its assets are now held in Euro.

The Group's credit risk was not specifically stress tested.

C.4 Liquidity Risk

The PCC's Solo and Group exposure to liquidity risk arises from the possibility that sufficient cash may not be readily available to pay obligations when due, at a reasonable cost. This risk is not significant for either Group or Solo, given the liquidity profile of their financial assets and the short-term nature of liabilities. The investment risk appetite of each Cell also mitigates this risk by assessing both the credit risk profile of counterparties alongside the liquidity profile of the instruments held or deposits placed with counterparties. All investments are strictly held in high-quality liquid instruments, aside from parental loan arrangements.

C.5 Operational Risk

Assessment of exposures

Outsourcing is considered the main risk within the systems and operational category because both the Core and individual Cells rely on it heavily.

Outsourcing to Agents outside Malta: Key functions such as underwriting, distribution, and claim handling services are extensively outsourced to various third parties in France, Belgium, UK, Germany, Portugal, and Spain. Material outsourcing risks include execution, delivery and process management, in particular poor controls around underwriting and claim handling processes, poor service standards, deliberate mis-selling and acting outside authority levels. Outsourcing risk also includes credit risk (for premium balances), reputation and fraud risk, cyber/data security risk, IT network resilience risk, business continuity planning risk, data storage risk, compliance risk, data protection risk, and the risk of financial failure or insolvency of a material outsourcing provider, resulting in step-in risk.

Outsourcing of Malta operations. The PCC outsources its day-to-day management in Malta to Artex Risk Solutions (Malta) Limited and AIHL outsources its management to Artex Corporate Services (Malta) Limited. Both companies are part of the Arthur J. Gallagher Group. The Risk Management is outsourced to ARQ Risk and Compliance Ltd, part of the ARQ Group. It outsources the Actuarial Function to BWCI (Guernsey) and the Internal Audit function to RSM (Malta). Risks include inadequate internal controls including compliance and accounting systems leading to greater fraud; operational risks leading to failure to provide timely and accurate financial and other reports to management, or to submit timely and accurate regulatory returns, cyber risk and, the risk of inadequate staff and resources. In addition to the above, Advent PCC, under the guidance of the Board, have engaged an IT Security consultancy firm to assist with the implementation of DORA (The Digital Operational Resilience Act (Regulation (EU) 2022/2554) requirements.

The PCC and AIHL have a relatively high tolerance level for outsourcing risk because it would not be possible to operate without it due to the need for local (risk territory) access mechanisms, local cultural, legal and technical knowledge, language skills, and market connections. However, the Board remains conscious at all times of their own duty to manage and control outsourcing risk and to ultimately retain full responsibility for the outsourced functions.

Risk mitigations: Key controls are stringent pre-engagement checks on individuals and operations, written contract terms and detailed service level agreements, regular interactions with Third Party Service Providers (TPSPs) via committee and operational meetings, and other communications including regular detailed reports. Potential exit plans are also considered where material outsourcing arrangements are put in place.

A key risk control comprises regular onsite visits to key outsourced function holders and agents. The Company aims to carry out on-site audits of every key service provider at least biennially by either PCC directors, insurance managers, Internal Auditors, or other representatives. Credit risk controls include the maintenance of premium accounts under trust conditions.

Key controls of the systems and operational risks related to Maltese based operations, include employment of a professional insurance management company, regular interaction between Insurance Managers and Directors, regular onsite visits and meetings, and internal audits.

Key personnel risk: This exists with outsourced operations, in poor recruitment practices, failure to develop, train, manage and retain personnel, leading to operational and service problems. The recruitment and training practices of outsourced agents are the subject of questionnaires and self-certifications, and onsite visit discussions.

This risk also exists at the PCC's Board, particularly since the retirement of the executive director of the PCC at the end of 2023. The risk is mitigated by the engagement of experienced professional directors and Insurance Managers, and the support of both the Advent Group's international and of the wider Artex networks and appointed professional

service providers for other key functions. The oversight of specific outsourced activities is allocated to individual Board members to oversee and report back to the wider Board members where escalation is required.

Fraud risk: The risk of losses due to acts of fraud, misappropriation of property or circumventing regulations by internal parties exists in all organisations to some extent. In addition, the related risk of losses due to acts of a type intended to defraud the company involving external parties can occur in the context of granting insurance products as a result of fraudulent information, or via attacks to fraudulently extract company assets. The risk of fraud is closely monitored by all stakeholders of the PCC and limited by ensuring all material assets of the PCC are appropriately governed with suitable security controls and/or restrictions, such as dual control requirements.

The risk of external fraud occurring with regards to individual policy underwriting is mitigated by the exemptions and limitations within policy conditions and the granularity of each of the Cells insurance portfolios, limiting this risk to a low value.

Operational Resilience / Continuity risk: The risk of unexpected disruption in systems or service failures that would lead to the triggering of a business continuity plan can lead to the unavailability of systems and processes, as well as human capital for the PCC, for potentially an extended period of time. The PCC ensures it is prepared for such events by creating and updating its business continuity plans, that help prepare contingency arrangements in the event of a material disruption. This involves overseeing the business continuity plans of outsourced providers and agents providing critical services for the PCC and individual Cells and reinforcing the plans in light of requirements emanating from DORA.

Risk sensitivity for operational risks

The main financial impact to the PCC and Cells from outsourcing risk is aligned with underwriting and claim results which would be impacted by poor product design, inadequate underwriting criteria and pricing, and inappropriate reserving practices. It is therefore considered to be captured within the underwriting risk sensitivity tests.

Future credit risk related to insurance intermediaries has been specifically tested and has not raised any significant cause for concern.

Outsourcing risk, as it relates to the Group, is considered in the ORSA in the form of potential failures of data protection between the PCC and outsourcing providers and has been specifically stress tested.

C.6 Other material risks

This is defined as the failure to comply with regulatory laws and rules applicable to insurance companies and PCCs in Malta and at EU level, particularly relating to solvency requirements and technical provision calculations. It also includes failure by intermediaries to comply with their home state regulations, particularly conduct rules and GDPR. These risks are considered

material for both Core and Cells because of the reputational impact of regulatory sanction on the business and on intermediaries.

The risk is managed and mitigated by stringent focus on and commitment to regulatory solvency and other compliance, the employment of professional managers, Compliance Function, Risk Management Function, Internal Audit Function, and Actuarial Function supported by qualified actuary. The intermediary risk is managed and mitigated by regular interaction with the intermediaries, monitoring of complaints from customers, monitoring of regulatory and business websites, onsite visits, questionnaires, oversight requests, and self-declaration of compliance.

Environmental, Social and Governance (“ESG”) risks cover the risk that those charged with governance or key functions do not have the skills, capacity and experience to perform the role, risk of changing climate risks potentially adversely impacting future product claim rates through either transitional or physical risks, or the risk that the governance culture is misguided in relation to the businesses values, that leads to adverse social impacts to clients, communities and stakeholders, where the PCC operates. These associated risks are mitigated by ensuring a culture of compliance and good-governance practices, embedded through the policies and committee structures of the PCC.

The compliance and governance risks have not been specifically stress tested. The failure of governance arrangements to adequately prevent regulatory breaches is embedded in a range of stress scenarios and all stress tests contemplate a key risk of failing to meet solvency capital requirements in normal and stressed conditions. Otherwise, the risk is considered covered within the base SCR.

Compliance and regulatory risks are not considered material for AIHL as it acts solely as a holding company and does not engage in regulated activities.

C.7 Any other information

PCC Strategy Risk

This is defined as inadequate, inappropriate, misaligned, or unrealistic strategic objectives for the PCC, leading to i) poor Core portfolio selection, poor performance and loss of capital, and ii) poor Cell acceptance criteria leading to risk of exposure to financial loss/capital shortfall within Cells.

These risks are considered material for the Core because the PCC could suffer critical financial, regulatory and reputational consequences should either of these scenarios materialise.

However, the probability is considered low in both cases. The risk is managed by i) having a well-defined risk acceptance policy for both Core and Cells, ii) by carrying out stringent due diligence on Cell & Core portfolio proposers to ensure that they demonstrate good track records and performance history, and meet high standards of professional integrity, ability, industry reputation, product knowledge and compliance.

The risk is further mitigated by the requirement for each Cell to meet and exceed its own solvency requirement in normal circumstances, with capital plans and contractual arrangements in place to respond to stressed circumstances.

The PCC's strategic risk can also become elevated as part of any strategic review undertaken by the shareholders to attract new investment or divest its existing ownership to third-party investors. Such risks can be managed effectively through a market standard M&A process and would be carefully conducted to ensure business-as-usual operations were not disrupted as a result.

Risk sensitivities are tested by individual stress tests as discussed elsewhere in this report. The Core's sensitivity to Cell performance is also tested by the Cell stress tests and by the tests carried out for the Core's own risk profile.

PCC Structural Risk

The PCC structural risk is relevant to each Cell and the Core. It is defined as the impact of problems in or failure by the Core caused by Core underwriting, or by failure of another Cell. This risk is considered of low probability, mitigated by the risk management and controls discussed elsewhere in this report, the Solvency II assessed capital required by each Cell appropriate to its own risk profile, and the surplus carried by the Core. Cells are legally protected (segregated) from the liabilities of other Cells and from the Core. Therefore, the most serious financial impact for a Cell is considered to be the financial cost associated with moving the Cell to another PCC structure. This cost is assessed as similar to the cost of initial Cell establishment. It was concluded that the existing capital buffer currently carried by each Cell would be sufficient to meet this cost.

PCC Reputational Risk

The PCC reputation risk is relevant to each Cell and the Core. This is defined as the impact on a Cell, or the Core, of reputational damage caused by association with other Cells or the Core. This risk is considered relatively low in probability and impact, due to the commoditised nature of the PCC's insurance products, and the risk mitigations discussed elsewhere within this report. It was concluded that the existing capital buffers carried by each Cell, and the Core, were sufficient to cater for this risk.

External Risk Factors

The risks arising from external factors are considered under three outcome scenarios:

- a) a reduction in Cell facility take-up or take up of Cell or Core insurance products. This considers scenarios which, alone, would not lead to a deterioration of solvency vis-à-vis risk.
- b) poorer underwriting results or investment returns. This envisages scenarios where higher claim levels arise from economic deterioration, including moral hazard risk, where direct claims arise out of extraordinary events such as pandemics, or where investment income is impacted by these events.
- c) a combination of a) and b)

Economic Deterioration

Economic recession and depression could arise from cyclical or unforeseen forces, or the impact of global pandemics, climate change, geopolitical unrest and war risks, and other external risks, such as market events or competitive market forces, as discussed below. The PCC could also suffer a deterioration in premium income and/or a rise in the rate of claims from moral hazard (c above).

Climate Change

Climate and Environmental Risks has the potential to materially impact the business environment in which the PCC operates. For example, the Absolut Cell which writes travel cancellation risk could face longer term impact if travel restrictions are imposed through emission allowances and sanctions which will ultimately restrict and/or curb travel. Severe extreme weather, acute risks, may also result in short term impact due to increased flight cancellation occurrences. The Absolute Cell may also be required to shift their product line, due to specific countries becoming less attractive to potential clients, shifting client preferences and resulting in a reduction in clientele.

Other Cells such as UIB and Unlimited Care with exposures to Life and health covers might be impacted by environmental related pandemics, or other life endangering events. Changing Climate conditions may result in longer hot periods, resulting in an increase in associated illnesses and conditions and therefore associated claims, due to the increased temperatures. Extreme acute weather events may also lead to increased claims by parties due to increase in injuries and deaths caused by such weather extremes.

Climate change also has the potential to seriously impact investments that are overly exposed to high carbon emission industries, that could lead to credit downgrades and possibly loss of principal, even banking or government default.

This risk is envisaged to some extent in the downgrading of counterparty stress test, which could result from exposure to industries more directly affected. Its impact is also envisaged within the underwriting stress tests, on increased claims and reduced premium income. Otherwise, the Company does not believe the risk is reasonably quantifiable at this point for the PCC within the current stress test horizon, and it has not been specifically stress-tested, this also in view that insurance risks linked to the products underwritten are considered shorttail and material developments in risk factors can be repriced at renewal.

Social Responsibility Risks

The risk that the perception and reputation of the business is damaged by ineffective and inadequate Corporate Social Responsibility ("CSR") practices or decision-making by other Cell owners. The business also risks damage to its reputation through poorly defined sustainability commitments or through lack of transparency in the metrics recorded.

Non-material CSR risk – All Cells

Corporate social responsibility risk can arise where a failure of corporate conscience arises leading to misconduct risk that the PCC conducts its business activities and support processes in a manner that is unethical, mis-selling or breaches its commitments and duty of care to its clients and counterparties.

Such risks can also arise via distribution agents or partners, particularly where representatives are mis-incentivised to promote and sell insurance products in a non-compliant manner.

This risk is mitigated largely by the fact that each of the Cell owners are actively involved in the distribution of their insurance products and implicitly have interest in protecting their brand values and ethics accordingly. In any event there is strong and regular oversight of distribution activities that is part of the PCCs third party oversight risk

Cyber Risk

Cyber risk is primarily linked to outsourcing risk, as the intermediaries hold the data. Advent does not systematically receive, process or hold direct customer or other data, except incidental data received indirectly as part of management information. In addition, cyber risks that may impact the infrastructure and/or assets of the PCC may occur if their functionality or availability became impaired as a result. Cyber security incidents could lead to fines, reputational damage, and lost income generally (a above).

The cyber security of agents is investigated as part of onboarding; it is also monitored via the Insurance Distribution Directive questionnaire and a specialist IT security questionnaire complied with the assistance of IT specialists, which are required to be completed by all agents. These gather information on, inter-alia, agents' systems back-up, firewalling and access controls. Cyber risk is now receiving more focussed attention as the number of cyber related events increases. As part of its DORA compliance program, Advent has reinforced its suite of IT security and related policies. The level of maturity of security programs of its IT third party service providers and their adherence to security protocols and good practices established are measured periodically and will be reported to the Board.

Regulatory or legal changes

Events such as Brexit, which would fundamentally change the PCC's access into certain markets, has admittedly led to a reduction in Cell take-up or closure of existing Cells, and as such are a risk for Cells individually, and the PCC as a whole (a above). Brexit ended the PCC's ability to passport into the UK market and has lead to the imminent closure of one Cell. However, generally they may also bring opportunities, such as a UK based insurer having to transfer its EU portfolio into an EU insurer, post Brexit. The PCC was the recipient of such a transfer during 2022, thereby mitigating the loss of its UK business. This risk is monitored by regular scanning of the regulatory, legal and political horizons, and being ready for change.

Pandemics

Each future pandemic situation would be considered in its specific context, but lessons learned from Covid include the need for careful ongoing monitoring of global pandemic situations, robust business continuity plans, regular communications and updates, robust remote communication mechanisms, preservation of resources, and management rapid response. Indeed, the experience of the PCC has been that its constituent parts responded well to, and withstood, the challenges of Covid-19.

However, should another pandemic arise in the short to medium term, the economic and other fallout could impact the business more directly by increased claims, for example in the medical expenses or the personal accident and sickness portfolio, in addition to a repetition of the loss of premium income to the travel cancellation portfolios. These impacts are envisaged within the standard tests on increased claims experience and reduced income.

Geopolitical Unrest & War Risks

The economic and other fall out from regional geopolitical unrest and war risks could impact all parts of the PCC, for example if the Russia/Ukraine or Middle East conflict situations continue and/or deteriorate. Although geopolitical unrest and war is a standard exclusion on policies, there could be a direct impact on, for example, the premium income of the travel business. This risk is envisaged within the standard stress tests.

Inflation, including social inflation Risk

Governmental responses to the pandemic, which increased the money supply, and supply chain related consequences have contributed to rising prices, which may have an impact on future claims costs, whereas compensating premium increases could lag behind. The result could be a negative net impact on the PCC. Its impact is envisaged in the standard stress tests on increased rates of claims.

Outsourcing Risk

Outsourcing risk is the risk that third-party service providers do not deliver on their commitments including provision of poor data quality. The PCCs outsourcing model raises the likelihood and impact should material failures occur at critical outsourcing providers. Inadequate Due Diligence on suppliers, or unclear or unsustainable objectives by suppliers may lead to reputational and/or financial losses due to evolving client demands or regulatory expectations.

Third party agent risk is considered the main risk within the systems and operational category because of the heavy operational reliance on it both by the Core and by individual Cells. The key risk relates to the loss of control of certain functions carried out by the Third-Party Service Provider ("TPSP") whilst retaining accountability. The main functions outsourced by the Cells are underwriting, premium collection, claims handling, and accounting. Inefficient Due Diligence processes prior to engaging local supplier may lead to reputational and/or financial losses.

However, there is a relatively high tolerance level for outsourcing risk, as it would not be possible to operate without it due to the need for local access mechanisms, language skills, and market connections.

Risk sensitivity

The risks of lower premium income and higher insurance claims than expected are among the standard stress tests carried out for the Core and all Cells.

D. Valuation for Solvency Purposes

D.1 Assets

Assets – Solo

The table below provides a summary of the assets of the core and cells combined as at 31 December 2025.

SE.02.01.16

PCC SOLO Balance Sheet Assets - Solvency II vs IFRS	2025			2024
Assets	IFRS *	Solvency II adjustment	Solvency II value	Solvency II value
	€	€	€	€
Intangible assets	645,416	(645,416)	-	-
Deferred tax asset	136,594	328,409	465,003	177,026
Investments (other than assets held for index-linked and unit-linked contracts)			10,550,238	10,636,648
Equities		-	724,975	589,051
Equities - listed	667,394	-	667,394	468,094
Equities - unlisted	57,581	-	57,581	120,957
Bonds			1,423,806	3,213,598
- Government Bonds	1,423,806	-	1,423,806	93,811
- Corporate Bonds	-	-	-	3,119,787
Collective Investments Undertakings	134,200	-	134,200	341,072
Deposits other than cash equivalents	8,162,663	104,594	8,267,257	6,492,927
Loans and mortgages			11,380,695	11,036,037
Other loans and mortgages	10,348,796	1,031,899	11,380,695	11,036,037
Reinsurance recoverables from:				
Health similar to non-life	-	-	-	-
Insurance and intermediaries receivables	-	656,180	656,180	1,948,194
Receivables (trade, not insurance)	1,344,151	(1,074,968)	269,183	469,342
Cash and cash equivalents	23,764,807	(61,524)	23,703,283	24,818,307
	46,685,408	339,174	47,024,582	49,085,553

Assets – Group

The table below provides a summary of the assets of the Group as at 31 December 2025.

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Group Balance Sheet Assets - Solvency II vs IFRS	2025			2024
Assets	IFRS	Solvency II adjustment	Solvency II value	Solvency II value
	€	€	€	€
Deferred tax asset	243,485	-	243,485	177,953
Investments (other than assets held for index-linked and unit-linked contracts)				
<i>Bonds</i>				
- Government Bonds	-	-	-	93,811
- Corporate Bonds	-	-	-	3,119,787
Collective Investments Undertakings	-	-	-	233,212
Deposits other than cash equivalents	5,008,939	6,874	5,015,812	1,738,171
Loans and mortgages				
Other loans and mortgages	-	-	-	1,683,490
Insurance and intermediaries receivables	-	90,964	90,964	71,600
Receivables (trade, not insurance)	517,906	(6,873)	511,033	874,635
Cash and cash equivalents	2,386,116	0	2,386,116	686,873
	8,156,445	90,965	8,247,410	8,679,531

The valuation principles applied to these assets are consistent with those used in the Statutory accounts (IFRS), with any differences in valuation set out below:

a. Intangible assets

For the Solvency II Balance Sheet the intangible asset values recognised under IFRS are removed. Included in the intangible assets is computer software. The Solvency II regulation also requires that any intangible asset other than goodwill must carry a value equal to its resale value. The Company does not consider any resale value for its computer software.

b. Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The difference between the Deferred Tax Asset in the statutory accounts and that in the Solvency II Balance Sheet is generated by the impact on reconciliation reserve of the Solvency II adjustments. A deferred tax asset in the Group Solvency II Balance Sheet arises upon consolidation due to future tax refunds receivable by Advent International Holdings Limited from profits distributed by the Core /and from valuation differences between the IFRS Balance sheet and the Solvency II Balance sheet.

Mark Giorgio
Director
EY Audit Limited mg

c. Equities

The listed Equities are managed under discretionary portfolio agreements with investment managers, while the unlisted Equities are held with one of the cell's fund portfolios. The equities are accounted for at market value as at balance sheet date.

d. Bonds

Fixed income securities are reported in the IFRS Balance Sheet at fair value through profit and loss. For the purpose of Solvency II balance sheet valuation accrued income has been added to such fair value. This, together with the "look through" procedure to identify bonds within funds, accounts for the increase in Solvency II Balance Sheet values.

e. Collective Investment Undertakings

Collective investment undertakings (funds) are reported in the IFRS Balance Sheet at fair value through profit and loss. Solvency II regulations allow for a "look through" procedure where the funds' securities are identified and reclassified according to their nature and valued accordingly.

f. Deposits other than cash equivalents

The deposits other than cash equivalents include certificate of deposits which are do not form part of the cash and cash equivalents. The Solvency II value includes the accrued interest on such certificate of deposits.

g. Other loans and mortgages

Loans and mortgages are carried at amortised cost using the effective interest method, less any provision for impairment. The fair value of loans and receivables are deemed to be a Level 2 measurement. Loans are group loans to cell or core shareholders or other companies of the core or cell's own group. Due to the short-term nature of these instruments, the fair value approximates the amortised cost hence there were no material differences in valuation between IFRS and SII bases.

The PCC does not hold any mortgage exposures.

h. Insurance and intermediaries' receivables

The insurance and intermediaries' receivables represent amounts due from policyholders and intermediaries. These amounts are collected and remitted to the cells by related entities on a monthly basis. Under IFRS 17, the amounts due (€1,036,810) from the policyholders and intermediaries are being accounted for as part of either the Liability for Remaining Coverage ('LRC') and/or Liability for Incurred Claims ('LIC').

On a Solvency II basis only unpaid premiums which were technically due for payment at the valuation date are treated as premiums receivable on the Solvency II balance sheet. Any unpaid premiums which are not yet technically due are not treated as premiums receivable

but are recognised within the Solvency II premium best estimate calculation as a reduction of amounts due to policyholders.

These different treatments account for the material difference between direct insurance receivables on IFRS and Solvency II bases. In the Group table these items represent insurance recoveries from defaulting tenants under the core's loss of rent portfolio and the different treatment of these items under the two bases.

i. Receivables (trade, not insurance)

These trade receivables, will include amounts due to the PCC which are not insurance related, e.g. fee, accrued interest, etc. Under Solvency II the accrued interest is accounted for in the investments section and are therefore deducted from the receivables (trade, not insurance) amount and added to the market value of the investments.

j. Cash and cash equivalents

Cash at bank comprise call deposits with maturities of three months or less and are carried at face value.

D.2 Technical Provisions

The Solvency II technical provisions comprise the best estimate of liabilities and risk margin according to articles 75 to 86 of the Solvency II Directive. The best estimate liability reflects a realistic estimate of future claims attributable to bound insurance contracts and contracts close to being bound, regardless of whether the contracts cover expired or unexpired periods. The estimates are based on past experience with adjustments for expected deviations in the future.

Whilst the reserving methodology applied under Solvency II is also adopted under IFRS 17, the following are the main variances between two frameworks to derive the best estimate of future cashflows in relation to the technical provisions:

- **Discounting** – under IFRS 17 the technical provisions are discounted at rates which allow for the illiquidity premium on top of the risk-free rates. The cashflows under Solvency II are discounted at the risk-free rates.
- **Expenses** - an element of future expense to service the claims was factored in the IFRS 17 calculation based on the classification of the directly attributable expenses.
- **Risk adjustment** - The risk margin under Solvency II uses a Cost of Capital approach. The Board of the PCC had decided to use the same principle for the IFRS 17 risk adjustment.

The technical provisions for the year ended 31 December 2025 are set out in the following tables, on both Solvency II and Statutory bases, for PCC Solo and Group:

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Solo Technical Provisions

PCC SOLO Balance Sheet Liabilities - Solvency II vs IFRS	2025			2024
Liabilities	IFRS *	Solvency II adjustment	Solvency II value	Solvency II value
	€	€	€	€
Technical provisions – non-life			4,532,311	5,556,076
Technical provisions – non-life (excluding health)	2,873,332	232,135	3,105,467	3,067,126
- Best Estimate		2,716,546	2,716,546	2,333,217
<i>Fire and Other Damage to Property</i>		3,595	3,595	5,781
<i>Miscellaneous Financial Loss</i>		2,712,950	2,712,950	2,327,436
- Risk margin		388,922	388,922	733,909
Technical provisions - health (similar to non-life)	1,720,978	(294,135)	1,426,844	2,488,950
- Best Estimate		1,254,816	1,254,816	2,292,369
<i>Medical Expense</i>		25,113	25,113	21,440
<i>Income Protection</i>		1,229,702	1,229,702	2,270,929
- Risk margin		172,028	172,028	196,581

Group Technical Provisions

GROUP Balance Sheet Liabilities - Solvency II vs IFRS	2025			2024
Liabilities	IFRS	Solvency II adjustment	Solvency II value	Solvency II value
	€	€	€	€
Technical provisions – non-life				
Technical provisions – non-life (excluding health)	(19,664)	95,992	76,328	122,731
Technical provisions calculated as a whole				
- Best Estimate		73,063	73,063	117,485
- Risk margin		3,265	3,265	5,246

Assumptions and methods

The main assumptions in the reserving exercise relate to the evaluation of the underlying insured risks and events, with reference to historic data where available, by the estimation of expected average cost per claim, the likely future number of claims, and any inflationary trends. The inherent uncertainty in insurance claims makes it unlikely that historical data will be wholly predictive of the actual ultimate development of claims. The process of establishing realistic technical provisions requires a substantial measure of judgement. Actuarial methodology is used to develop triangulations to assist in calculating these provisions.

The risk margin is added to the best estimate liability. This additional margin is calculated in accordance with Article 37 of the Commission Delegated Regulation (EU) 2015/35 to ensure that the technical provisions as a whole are equivalent to the amount that an insurance undertaking is likely to require to take over the insurance obligations.

The key areas of uncertainty around technical provisions are as follows:

- Estimation of outstanding loss reserves ("OSLR"). Although these are reported claims, assessing the settlement cost is subject to some uncertainty.
- Estimation of losses which have been incurred but not yet reported ("IBNR"). This is generally subject to a greater degree of uncertainty than estimating the OSLR since the detail of individual claims is not yet known. In general the IBNR is

estimated by projecting 'best estimate' ultimate loss ratios using a combination of past experience and judgement, with actuarial input as needed, and calculating the difference between that ultimate figure, and reported losses. The technical provisions are discounted for timing of claim payments using the risk-free rate with no volatility adjustment produced by EIOPA.

- iii. Incurred but not enough reported ("IBNER"). This allows for under-reporting of the quantum of known loss events.
- iv. Estimation of claims arising in future periods ("unexpired risks"): This is uncertain as the losses have not yet been incurred.
- v. Market environment changes. These increase the inherent uncertainty affecting the business, in particular, claims inflation.
- vi. Events not in data ('ENID loading'). This is subject to considerable uncertainty as such events are not seen in the observable historical loss data. It also includes a loading for Binary events, loss-generating events with low frequency and high severity impact.
- vii. Run-off expenses. The estimation of these is inherently uncertain due the need to estimate the run-off period, base costs and inflation.
- viii. Risk margin. This is the margin which is assumed would be payable to transfer the business to another insurance carrier. It is uncertain due to the requirement to forecast future solvency capital requirements over the run-off period.

The PCC manages these uncertainties by:

- i. Ongoing monitoring of claim events.
- ii. Regular reviews of claims handling functions and reserving methodologies.
- iii. Internal controls through the Board and Actuarial Function which monitor claims development.
- iv. Specialist Solvency II software.
- v. Regular external actuarial reviews.

There was no application of matching adjustment, volatility adjustment, transitional risk-free market interest rate and transitional deductions.

D.3 Other Liabilities

The other liabilities of PCC (separate for both Solo and Group) at 31st December 2025, on both Solvency II and IFRS basis, are shown below:

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

PCC SOLO Balance Sheet Liabilities - Solvency II vs IFRS	2025			2024
Liabilities - Other	IFRS	Solvency II adjustment	Solvency II value	Solvency II value
	€	€	€	€
Provisions other than technical provisions	-	-	-	-
Deferred tax liability	-	-	-	384,282
Reinsurance payables	-	-	-	-
Payables (trade, not insurance)	6,708,519	930,054	7,638,573	9,070,940
Total other liabilities	6,708,519	930,054	7,638,573	9,455,222

- I. Provisions other than technical provisions: This relates to a provision for doubtful debt.
- II. Deferred Tax Liabilities: This item arises on the Solvency II balance sheet in respect of one cell for which the technical provisions were lower under Solvency II than under IFRS, due to the adjustment between the two bases described above. The cell's SII reconciliation account (profit) was increased, thereby creating a potential additional tax liability over and above statutory tax liabilities.
- III. Payable (trade, not insurance): These include overheads, administration fees, and intercompany balances, but mostly consist of taxes payable on profits made up to 31st December 2025. Valuation is the same under both bases for PCC Solo and Group.

GROUP Balance Sheet Assets - Solvency II vs IFRS	2025			2024
Liabilities - other	IFRS	Solvency II adjustment	Solvency II value	Solvency II value
	€	€	€	€
Financial liabilities other than debts owed to credit institutions	-	-	-	123,156
Payables (trade, not insurance)	227,499	-	227,499	416,541
Total other liabilities	227,499	-	227,499	539,698

For the Group other liabilities, there were no material Solvency II adjustments on the IFRS figures.

D.4 Alternative methods for valuation

The Company does not utilise any alternative methods of valuation.

D.5 Any other information

There are no further disclosures.

E. Capital Management

E.1 Own Funds

Own funds of the PCC and its constituent parts are managed as part of the financial and solvency management processes which are a focal point at every quarterly Board meeting and quarterly Cell committee meeting.

As part of own fund management, and within its ORSA process during which risk and capital management functions interact, the PCC prepares annual solvency projections with three-year time horizons. As part of this process it reviews the structure of own funds to ensure that they will be both sufficient, and of the appropriate quality to satisfy future requirements.

The PCC is required to hold regulatory capital for its general insurance business in compliance with the Insurance rules issued by the Malta Financial Services Authority ("MFSA") which are founded on the EU wide Solvency II regime.

The minimum capital requirement has been maintained at all times throughout the period. The PCC monitors its capital level on a regular basis. The PCC's minimum capital requirement absolute floor stands at €4,000,000 in line with Chapter 5 of Malta's Insurance Rules. At a minimum, this level of capital must be, and is, covered by eligible own funds in the Core at all times. Furthermore, the Cells are individually required by their licensing conditions to meet their own solvency, as determined by their own risk profiles. However, in circumstances where an individual Cell has not met its solvency requirements with Cellular own funds, the shortfall is covered by the Core surplus.

In terms of Subsidiary Legislation 386.10 of the Companies Act (Cell Companies carrying on business of insurance), where any liability arises which is attributable to a particular Cell:

- a. the Cellular assets attributable to that Cell shall be primarily used to satisfy the liability.
- b. the PCC's Core assets shall be secondarily used to satisfy the liability, provided that the Cellular assets attributable to the relevant Cell have been exhausted; and
- c. any Cellular assets not attributable to the relevant Cell shall not be used to satisfy the liability.

The PCC has in place the following contractual safeguards, should this scenario arise:

- a. if the assets of a given Cell are at any time insufficient to meet any payments, liabilities or obligations due or about to become due by the Cell, the PCC shall notify the Cell owners in writing and the Cell owners shall ensure forthwith that the Cell is adequately funded to meet all payments, liabilities or other obligations due or becoming due by the Cell; and
- b. in the event that the Cellular assets of the Cell are exhausted, the Cell owner agrees to indemnify the PCC for any assets paid or otherwise transferred to creditors of the Cell.

In order to maintain or adjust the capital structure, the PCC may issue new shares or capitalise contributions received from its shareholders, both ordinary and Cellular.

Own Funds Management Objectives

- To maintain, at all times, sufficient own funds, of the quality required by virtue of Article 82 of the Delegated Regulations, to cover the SCR and MCR of the Core and each Cell within the PCC with a good level of comfort.
- To ensure sufficient capital funding in order that the PCC, including its constituent Cells may continue as a going concern.
- To safeguard policyholder interests arising from the PCC's contractual obligations.
- To provide adequate return for shareholders; and
- To ensure shareholder and other stakeholder interests are safeguarded at all times.

Structure of Own Funds

The PCC & Group classify their Own Funds as tier 1, tier 2 or tier 3 depending on the characteristics of the capital. Tier 1 capital is the best form of capital for the purposes of absorbing losses. Only the PCC's tier 1 own funds may be used towards meeting the Minimum Capital Requirement.

The PCC Solo Own Funds at 31 December 2025 are made up as follows:

2025			
PCC SOLO Own Funds			
	IFRS €	Solvency II Adjustment €	Solvency II Value €
Paid up ordinary shares	9,226,174	(727,054)	8,499,120
Capital contribution	3,114,301	-	3,114,301
Retained earnings	22,805,385	(22,805,385)	-
Reconciliation Reserve	-	4,458,858	4,458,858
Other reserves	(346,191)	346,191	-
	34,799,669	(18,727,390)	16,072,279

The difference between the IFRS paid up capital amount of €9,226,174 and the Solvency II amount of €8,499,120, which amounts to €727,054, represents the paid up capital amount of a cell which has voluntarily surrendered its insurance licence and is not required to be reported for Solvency II purposes.

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

PCC SOLO Own Funds				
	Tier	Solvency II Value 31.12.2025 €	Solvency II Value 31.12.2024 €	Changes €
Paid up ordinary shares	1	8,499,120	8,499,120	-
Capital contribution	1	3,114,301	3,114,301	-
Reconciliation Reserve	1	4,458,858	7,156,469	(2,697,611)
		16,072,279	18,769,890	(2,697,611)

The decrease in the reconciliation reserve amount is due to the decrease in the excess of assets over liabilities during the year under review.

Ancillary Own Funds

At 31st December 2025, the PCC had issued but unpaid ordinary share capital amounts of €370,000 (Core). The PCC Solo ancillary own Funds were therefore €370,147 at 31st December 2025. These were not taken into account for solvency capital purposes.

By comparison PCC Solo Own Funds as at 31st December 2024 were as follows:

2024 PCC SOLO Own Funds			
	IFRS €	Solvency II Adjustment €	Solvency II Value €
Paid up ordinary shares	9,226,174	(727,054)	8,499,120
Capital contribution	3,114,301	-	3,114,301
Retained earnings	21,186,360	(21,186,360)	-
Reconciliation Reserve	-	7,156,469	7,156,469
Other reserves	(340,565)	340,565	-
	33,186,270	(14,416,380)	18,769,890

Group Own Funds at 31st December 2025 were made up as follows:

PCC GROUP Own Funds			
	IFRS €	Solvency II Adjustment €	Solvency II Value €
Paid up ordinary shares	4,842,344	-	4,842,344
Retained earnings	2,862,781	(2,862,781)	-
An amount equal to the value of net DTA	243,485	-	243,485
Deductions*	-	(97,896)	(97,896)
Reconciliation Reserve	-	2,857,754	2,857,754
	7,948,610	(102,923)	7,845,687

* This deduction in own funds relates to solvency deficiency in a third-party Cell.

Comparative Group Own Funds at 31st December 2024 were made up as follows:

PCC GROUP Own Funds			
	IFRS €	Solvency II Adjustment €	Solvency II Value €
Paid up ordinary shares	4,842,344	-	4,842,344
Retained earnings	3,062,704	(3,062,704)	-
An amount equal to the value of net DTA	224,306	(46,353)	177,953
Deductions*	-	(55,176)	(55,176)
Reconciliation Reserve	-	2,996,805	2,996,805
	8,129,354	(167,428)	7,961,926

* This deduction in own funds relates to solvency deficiency in a third-party Cell.

PCC GROUP Own Funds				
	Tier	Solvency II Value 31.12.2025 €	Solvency II Value 31.12.2024 €	Changes €
Paid up ordinary shares	1	4,842,344	4,842,344	-
An amount equal to the value of net DTA	3	243,485	177,953	65,532
Deductions*	1	(97,896)	(55,176)	(42,720)
Reconciliation Reserve	1	2,857,754	2,996,805	(139,051)
		7,845,687	7,961,926	(116,239)

These funds are fully available within the Group to cover its SCR. There are no known restrictions to the fungibility and transferability of such own funds to cover the Group's SCR.

E.2 SCR and MCR

Solvency Capital Requirement – PCC Solo

The SCR of the PCC Solo as at 31st December 2025 was €11,956,455 (2024 - €13,781,907) as broken down in the table below. Own funds available to cover the SCR were €34,372,550 (2024 - €34,074,254) restricted to €16,462,117 (2024 - €18,769,890) due to adjustment for restricted own fund items in respect of ring-fenced funds (RFF).

The ratio of eligible Own Funds to SCR was 138%, which was slightly higher than last year's ratio of 136%.

The basic solvency capital requirement as at 31 December 2025 stood at €16,172,789 which was in line with last year's requirement of €18,043,875, although there had been a number of changes within the components of the basic solvency capital requirement. The overall decrease in the SCR was mainly due to higher loss-absorbing capacity of deferred taxes.

PCC Solo – Net Solvency Capital requirement at 31st December 2025, with comparative figures for 2024

	Consolidated		Note
	2025 €	2024 €	
Market risk	9,593,345	8,368,245	a.
Counterparty default risk	1,735,713	1,886,512	b.
Health underwriting risk	2,530,637	2,868,409	c.
Non-life underwriting risk	6,334,855	12,142,942	
Diversification	(5,855,034)	(7,222,233)	
Basic Solvency Capital Requirement	14,339,516	18,043,875	
Calculation of Solvency Capital Requirement			
Adjustment due to RFF/MAP nSCR aggregation	1,316,884	1,950,615	
Operational risk	518,633	603,061	
Loss-absorbing capacity of deferred taxes	(4,608,424)	(6,815,644)	d.
Solvency Capital Requirement excluding capital add-on	11,566,609	13,781,907	e.

Explanatory notes on the components of Solvency Capital Requirements

- Market Risk** - the PCC is exposed to market risks derived predominately from the assets held by them to meet their insurance liabilities, although exposures to shocks in interest rates and currency rates also consider the exposure from underwriting risks. The PCC Solo market risk increased in 2025 compared to 2024, primarily due to the liquidation of the Core investment, which was reinvested as a fixed-term deposit, thereby reducing exposure to market risk.
- Counterparty Risk** - the PCC is exposed to counterparty risks in the form of cash deposits (type 1) and from receivables from intermediaries, policyholders and other debtors (type 2). The reduction in 2025 is mainly due to a reduction in the settlement of overdue intermediaries balance during 2025.
- Health & Non-life Underwriting Risks** - the PCC is exposed to non-life and health underwriting risk arising from the insurance policies the PCC and its Cells sell. The risk is that premium and reserves will not be sufficient to pay ultimate claims, including from catastrophic events. While the health underwriting risk decreased slightly when compared to 2024, the non-life underwriting risks the capital charges decreased due to a decrease in premium written and forecasted premium.
- Loss-absorbing capacity of deferred taxes (LACDT)** – the LACDT adjustment decreased on last year's amount, due to lower projected profits in the next 36 months of one particular Cell.
- The final **Solvency Capital Requirement** of the PCC is the aggregations of their BasicSCR – including market, counterparty and non-life underwriting risks plus a diversification benefit, together with an operational risk charge.

Solvency Capital Requirement – PCC Group

The SCR of the PCC Group as at 31st December 2025 was €1,176,612 (2024 - €1,252,384), in view that the SCR was less than the Minimum Capital Requirement (MCR) than the MCR was applicable which was €4,000,000 (2024 - €4,000,000).

Available Own Funds eligible to cover the SCR were €7,845,686 resulting in a Group ratio of eligible Own Funds to SCR of 196%. In 2024 the Group's eligible Own Funds amounted to €7,961,926 providing a ratio of 199% in that year.

PCC Group – Net Solvency Capital requirement at 31st December 2025, with comparative figures for 2024

	Consolidated		Note
	2025 €	2024 €	
Market risk	1,021,732	1,199,977	a.
Counterparty default risk	346,709	97,182	b.
Health underwriting risk	-	-	c.
Non-life underwriting risk	42,230	67,906	
Diversification	(236,250)	(116,205)	
Basic Solvency Capital Requirement	1,174,421	1,248,860	
Calculation of Solvency Capital Requirement			
Adjustment due to RFF/MAP nSCR aggregation	-	-	
Operational risk	2,192	3,525	
Loss-absorbing capacity of deferred taxes	-	-	
Solvency Capital Requirement excluding capital add-on	1,176,612	1,252,385	d.

Explanatory notes on the components of Solvency Capital Requirements

- Market Risk** - the Group is exposed to market risks derived predominately from the assets held by them to meet their insurance liabilities, although exposures to shocks in interest rates and currency rates also consider the exposure from underwriting risks. During the year under review the market risk increased due to the impact of the Core investment. However, on the other hand, the Advent holding company settled its intercompany loan payables and receivables, which contributed to a decrease in market risk. As a result, there is an overall slight decrease in market risk.
- Counterparty Risk** - the Group is exposed to counterparty risks in the form of cash deposits (type 1) and from receivables from intermediaries, policyholders and other debtors (type 2). The material increase is due to a higher bank balance as at the end of the year.
- Health & Non-life Underwriting Risks** - the Group is exposed to non-life underwriting risk arising from the insurance policies the PCC sells through its Core. The risk is that premium and reserves will not be sufficient to pay ultimate

claims, including from catastrophic events. For the non-life underwriting risks the capital charges decreased as a result of the Core business being in run-off.

- d. The final **Solvency Capital Requirement** of the Group is the aggregations of their BasicSCR – including market, counterparty and non-life underwriting risks plus a diversification benefit, together with an operational risk charge.

Loss Absorbing Capacity of Deferred Taxes ("LACDT")

The Loss absorbing capacity of deferred tax ("LACDT") is a risk mitigating element in the calculation of the Solvency Capital Requirement ("SCR") for Advent Insurance PCC Limited. In fact, the Solvency II provisions allow for a reduction in capital in respect of LACDT. The rationale is that a future loss in profits resulting from a 1-in-200-year event would also result in a reduction in associated tax liabilities, thus reducing the negative impact on the company's own funds. Capital requirements may also be reduced accordingly.

The maximum LACDT allowable is 35% (being the applicable tax rate) of the entity's Basic Solvency Capital Requirement (BSCR) and Operational Risk capital requirement. The actual LACDT taken is determined by an assessment of the expected tax over a three-year horizon.

The Finance Function is responsible for selecting and assessing the methods and assumptions used to demonstrate the amount and recoverability of the LACDT. On an annual basis, the Actuarial Function and the Risk Management Function are jointly responsible to assess and validate the underlying assumptions used for the projection of Advent's future taxable profits for the purposes of Articles 15 and 207 of the Commission Delegated Regulation (EU) 2015/35, including an explanation of any concerns about those assumptions. The outcome of the assessment is then reported to the Board.

Profit projections are based on realistic business expectations and loss ratios which are in line with historic data, adjusted where necessary for any change in risk exposure.

PCC Solo LACDT

Maximum permissible LACDT is calculated on a Cellular basis at 35% of the Cell's Base Solvency and Operational Solvency Capital requirement, reduced by deferred tax asset brought forward. However, the LACDT adjustment taken must not exceed 35% of the Cell's estimated future profits of up 31st December 2027.

The LACDT adjustment actually taken into account in the calculation of the solvency capital requirement at 31st December 2025 is set out below:

	LACDT adjustment €	Full LACDT €
Absolut Cell	3,260,615	4,033,201
UIB Cell	1,347,809	1,347,809
Consolidated	4,608,424	5,381,010

Profit projections are based on realistic business expectations and loss ratios which are in line with historic data, adjusted where necessary for any change in risk exposure.

PCC Group Data

No LACDT was taken at Group level.

Simplified Calculations

The PCC or Group have not utilised simplified calculations in applying the standard model and there has been no use of undertaking specific parameters in the non-life underwriting risk calculations.

Minimum Capital Requirements (MCR) – PCC Solo

As of 31 December 2025, the Minimum Capital Requirement (MCR) for the PCC Solo stood at €4,000,000 (2024: €4,073,469). The eligible own funds available to meet the MCR amounted to €16,452,407, a reduction from €18,769,890 due to restrictions on own fund items related to ring-fenced funds (RFF). This resulted in a ratio of eligible own funds to MCR of 405%.

In comparison, for the year 2024, the eligible own funds to meet the Solo MCR were €18,769,890, reduced from €20,806,954 due to similar restrictions on own fund items in respect of RFF. This led to a ratio of eligible own funds to MCR of 469% for that year.

The inputs used to calculate the MCR of the PCC Solo are as follows, with comparative figures shown for 2024.

MCR INPUTS - PCC SOLO	Net Best Estimate Technical Provisions (2025) €'000	Net Best Estimate Technical Provisions (2024) €'000	Net Written Premiums in the last 12 months (2025) €'000	Net Written Premiums in the last 12 months (2024) €'000
Medical expense	25	21	546	521
Income protection	1,230	2,271	7,714	8,084
Fire and other damage to property	4	6	-	-
Miscellaneous financial loss	2,713	2,327	8,946	10,843
Total Non - Life obligation	3,971	4,626	17,206	19,448

	2025 €	2024 €
Linear MCR	2,440	2,766
SCR	11,567	13,782
MCR cap	5,205	6,202
MCR floor	2,892	3,445
Combined MCR	2,892	3,445
Absolute floor of the MCR	4,000	4,000
Minimum Capital Requirement	4,000	4,000

The linear MCR and SCR have decreased in line with different changes that occurred during 2025 as discussed elsewhere in this report.

Minimum Consolidated Group SCR – PCC Group

As of 31 December 2025, the Minimum Capital Requirement (MCR) for the PCC Group was €4,000,000, unchanged from 2024. The PCC Group's eligible own funds available to meet the MCR amounted to €7,602,201 (2024: €7,783,973), resulting in a slightly decreased ratio of eligible own funds to MCR of 190% (2024: 195%).

E.3 Use of the duration-based equity risk sub-module in the calculation of the SCR

The Company did not use duration-based equity risk sub model in the calculation of the SCR.

E.4 Differences between the standard formula and any internal model used

The Company uses the Solvency II Standard Formula to calculate the regulatory capital requirement.

E.5 Non-compliance with the MCR and non-compliance with the SCR

There were no incidences of non-compliance with the MCR and SCR.

E.6 Any other information

There is no other information to include.

Mark Giorgio
Director
Deloitte Audit Limited *mg*

F. Quantitative Reporting Templates

Solo QRTs

Annex I		
S.02.01.02		
Balance sheet		
		Solvency II value C0010
Assets		
Intangible assets	R0030	
Deferred tax assets	R0040	465
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	10,550
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	
Equities	R0100	725
Equities - listed	R0110	667
Equities - unlisted	R0120	58
Bonds	R0130	
Government Bonds	R0140	
Corporate Bonds	R0150	
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	134
Derivatives	R0190	
Deposits other than cash equivalents	R0200	9,691
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	11,381
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	11,381
Reinsurance recoverables from:	R0270	
Non-life and health similar to non-life	R0280	
Non-life excluding health	R0290	
Health similar to non-life	R0300	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	656
Reinsurance receivables	R0370	
Receivables (trade, not insurance)	R0380	269
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	23,703
Any other assets, not elsewhere shown	R0420	
Total assets	R0500	47,025

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

		Solvency II value
Liabilities		C0010
Technical provisions – non-life	R0510	4,532
Technical provisions – non-life (excluding health)	R0520	3,105
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	2,717
Risk margin	R0550	389
Technical provisions - health (similar to non-life)	R0560	1,427
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	1,255
Risk margin	R0590	172
Technical provisions - life (excluding index-linked and unit-linked)	R0600	
Technical provisions - health (similar to life)	R0610	
Technical provisions calculated as a whole	R0620	
Best Estimate	R0630	
Risk margin	R0640	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	
Risk margin	R0680	
Technical provisions – index-linked and unit-linked	R0690	
Technical provisions calculated as a whole	R0700	
Best Estimate	R0710	
Risk margin	R0720	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	
Insurance & intermediaries payables	R0820	
Reinsurance payables	R0830	
Payables (trade, not insurance)	R0840	7,639
Subordinated liabilities	R0850	
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	
Any other liabilities, not elsewhere shown	R0880	
Total liabilities	R0900	12,171
Excess of assets over liabilities	R1000	34,854

Annex 1						
S.04.05.21						
Premiums, claims and expenses by country						
Home country: Non-life insurance and reinsurance obligations						
	Home Country	Top 5 countries: non-life				
R0010	DE	C0011	C0012	C0013	C0014	C0015
	C0010	C0020	C0021	C0022	C0023	C0024
Premiums written (gross)						
Gross Written Premium (direct)	R0020	8,946	6,894	871	546	
Gross Written Premium (proportional reinsurance)	R0021					
Gross Written Premium (non-proportional reinsurance)	R0022					
Premiums earned (gross)						
Gross Earned Premium (direct)	R0030	8,947	6,875	869	524	
Gross Earned Premium (proportional reinsurance)	R0031					
Gross Earned Premium (non-proportional reinsurance)	R0032					
Claims incurred (gross)						
Claims incurred (direct)	R0040	2,939	875	111	11	
Claims incurred (proportional reinsurance)	R0041					
Claims incurred (non-proportional reinsurance)	R0042					
Expenses incurred (gross)						
Gross Expenses Incurred (direct)	R0050	3,219	250	32	425	
Gross Expenses Incurred (proportional reinsurance)	R0051					
Gross Expenses Incurred (non-proportional reinsurance)	R0052					
Home country: Life insurance and reinsurance obligations						
	Home Country	Top 5 countries: life				
		C0031	C0032	C0033	C0034	C0035
	C0030	C0040	C0041	C0042	C0043	C0044
Gross Written Premium	R1020					
Gross Earned Premium	R1030					
Claims incurred	R1040					
Gross Expenses Incurred	R1050					

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Annex I

S.05.01.02

Premiums, claims and expenses by line of business

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	
Premiums written																	
Gross - Direct Business	R0110	546	7,765									8,946					17,257
Gross - Proportional reinsurance accepted	R0120																
Gross - Non-proportional reinsurance accepted	R0130																
Reinsurers' share	R0140		51														51
Net	R0200	546	7,714									8,946					17,206
Premiums earned																	
Gross - Direct Business	R0210	524	7,744									8,947					17,215
Gross - Proportional reinsurance accepted	R0220																
Gross - Non-proportional reinsurance accepted	R0230																
Reinsurers' share	R0240		51														51
Net	R0300	524	7,693									8,947					17,163
Claims incurred																	
Gross - Direct Business	R0310	11	972									2,919					3,921
Gross - Proportional reinsurance accepted	R0320																
Gross - Non-proportional reinsurance accepted	R0330																
Reinsurers' share	R0340																
Net	R0400	11	972									2,919					3,921
Expenses incurred	R0550	425	281				0					3,220					3,926
Balance - other technical expenses/income	R1200																
Total expenses	R1300																3,926

Annex I
S.17.01.02

Non-life Technical Provisions

	Direct business and accepted proportional reinsurance				Total Non-Life obligation
	Medical expense insurance	Income protection insurance	Fire and other damage to property insurance	Miscellaneous financial loss	
	C0020	C0030	C0080	C0130	C0180
Technical provisions calculated as a whole					
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole					
Technical provisions calculated as a sum of BE and RM					
Best estimate					
Premium provisions					
Gross					
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default					
Net Best Estimate of Premium Provisions					
Claims provisions					
Gross					
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default					
Net Best Estimate of Claims Provisions					
Total Best estimate - gross					
Total Best estimate - net					
Risk margin					
Technical provisions - total					
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total					
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total					
R0010					
R0050					
R0060	17	81		365	464
R0140					
R0150	17	81		365	464
R0160	8	1,148	4	2,348	3,508
R0240					
R0250	8	1,148	4	2,348	3,508
R0260	25	1,230	4	2,713	3,971
R0270	25	1,230	4	2,713	3,971
R0280	13	159	0	389	561
R0320	38	1,388	4	3,102	4,532
R0330					
R0340	38	1,388	4	3,102	4,532

		Year end (discounted data)
		C0360
	R0100	
	R0160	
	R0170	13
	R0180	43
	R0190	30
	R0200	22
	R0210	1
	R0220	50
	R0230	44
	R0240	218
	R0250	3,088
Total	R0260	3,508

Advent Insurance PCC Ltd - Solvency & Financial Condition Report for year ended 31 December 2025

Annex I
S.23.01.01
Own funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

Ordinary share capital (gross of own shares)
Share premium account related to ordinary share capital
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings
Subordinated mutual member accounts
Surplus funds
Preference shares
Share premium account related to preference shares
Reconciliation reserve
Subordinated liabilities
An amount equal to the value of net deferred tax assets
Other own fund items approved by the supervisory authority as basic own funds not specified above

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Deductions

Deductions for participations in financial and credit institutions

Total basic own funds after deductions

Ancillary own funds

Unpaid and uncalled ordinary share capital callable on demand
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
Unpaid and uncalled preference shares callable on demand
A legally binding commitment to subscribe and pay for subordinated liabilities on demand
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
Other ancillary own funds

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0010	8,499	8,499			
R0030					
R0040					
R0050					
R0070					
R0090					
R0110					
R0130	3,994	3,994			
R0140					
R0160	465				465
R0180	3,114	3,114			
R0220					
R0230					
R0290	16,072	15,607			465
R0300					
R0310					
R0320					
R0330					
R0340					
R0350					
R0360					
R0370					
R0390					

Total ancillary own funds

Available and eligible own funds

Total available own funds to meet the SCR
Total available own funds to meet the MCR
Total eligible own funds to meet the SCR
Total eligible own funds to meet the MCR

SCR

MCR

Ratio of Eligible own funds to SCR

Ratio of Eligible own funds to MCR

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0400					
R0500	16,072	15,607			465
R0510	15,607	15,607			
R0540	16,072	15,607			465
R0550	15,607	15,607			
R0580	11,567				
R0600	4,000				
R0620	138.95%				
R0640	390.18%				

Reconciliation reserve

Excess of assets over liabilities
Own shares (held directly and indirectly)
Foreseeable dividends, distributions and charges
Other basic own fund items
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced

Reconciliation reserve

Expected profits

Expected profits included in future premiums (EPIFP) - Life business
Expected profits included in future premiums (EPIFP) - Non-life business
Total Expected profits included in future premiums (EPIFP)

	C0060
R0700	34,854
R0710	
R0720	
R0730	12,078
R0740	18,781
R0760	3,994
R0770	
R0780	
R0790	

Advent Insurance PCC Ltd - Solvency & Financial Condition Report for year ended 31 December 2025

Annex I

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

Market risk

Counterparty default risk

Life underwriting risk

Health underwriting risk

Non-life underwriting risk

Diversification

Intangible asset risk

Basic Solvency Capital Requirement

Calculation of Solvency Capital Requirement

Operational risk

Loss-absorbing capacity of technical provisions

Loss-absorbing capacity of deferred taxes

Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC

Solvency capital requirement excluding capital add-on

Capital add-on already set

of which, capital add-ons already set - Article 37 (1) Type a

of which, capital add-ons already set - Article 37 (1) Type b

of which, capital add-ons already set - Article 37 (1) Type c

of which, capital add-ons already set - Article 37 (1) Type d

Solvency capital requirement

Other information on SCR

Capital requirement for duration-based equity risk sub-module

Total amount of Notional Solvency Capital Requirement for remaining part

Total amount of Notional Solvency Capital Requirements for ring fenced funds

Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios

Diversification effects due to RFF nSCR aggregation for article 304

Approach to tax rate

Approach based on average tax rate

Calculation of loss absorbing capacity of deferred taxes

LAC DT

LAC DT justified by reversion of deferred tax liabilities

LAC DT justified by reference to probable future taxable economic profit

LAC DT justified by carry back, current year

LAC DT justified by carry back, future years

Maximum LAC DT

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010	10,474		
R0020	1,895		
R0030			
R0040	2,763		
R0050	6,917		
R0060	-6,393		
R0070			
R0100	15,656		

	C0100
R0130	519
R0140	
R0150	-4,608
R0160	
R0200	11,567
R0210	
R0211	
R0212	
R0213	
R0214	
R0220	11,567
R0400	
R0410	1,070
R0420	10,497
R0430	
R0440	

	Yes/No
	C0109
R0590	1 - Yes

	LAC DT
	C0130
R0640	-4,608
R0650	-4,608
R0660	
R0670	
R0680	
R0690	-5,381

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Annex I			
S.28.01.01			
Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity			
Linear formula component for non-life insurance and reinsurance obligations			
		MCR components	
		C0010	
MCR _{NL} Result	R0010	2,440	
		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	25	546
Income protection insurance and proportional reinsurance	R0030	1,230	7,714
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080	4	
General liability insurance and proportional reinsurance	R0090		
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130	2,713	8,946
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		
Linear formula component for life insurance and reinsurance obligations			
		C0040	
MCR _L Result	R0200		
Total capital at risk for all life (re)insurance obligations			
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		
Overall MCR calculation			
		C0070	
Linear MCR	R0300	2,440	
SCR	R0310	11,567	
MCR cap	R0320	5,205	
MCR floor	R0330	2,892	
Combined MCR	R0340	2,892	
Absolute floor of the MCR	R0350	4,000	
Minimum Capital Requirement	R0400	4,000	

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Group QRTs

Annex I

S.02.01.02

Balance sheet

	Solvency II value
	C0010
Assets	
Intangible assets	R0030
Deferred tax assets	R0040 243
Pension benefit surplus	R0050
Property, plant & equipment held for own use	R0060
Investments (other than assets held for index-linked and unit-linked contracts)	R0070 5,016
Property (other than for own use)	R0080
Holdings in related undertakings, including participations	R0090
Equities	R0100
Equities - listed	R0110
Equities - unlisted	R0120
Bonds	R0130
Government Bonds	R0140
Corporate Bonds	R0150
Structured notes	R0160
Collateralised securities	R0170
Collective Investments Undertakings	R0180
Derivatives	R0190
Deposits other than cash equivalents	R0200 5,016
Other investments	R0210
Assets held for index-linked and unit-linked contracts	R0220
Loans and mortgages	R0230
Loans on policies	R0240
Loans and mortgages to individuals	R0250
Other loans and mortgages	R0260
Reinsurance recoverables from:	R0270
Non-life and health similar to non-life	R0280
Non-life excluding health	R0290
Health similar to non-life	R0300
Life and health similar to life, excluding health and index-linked and unit-linked	R0310
Health similar to life	R0320
Life excluding health and index-linked and unit-linked	R0330
Life index-linked and unit-linked	R0340
Deposits to cedants	R0350
Insurance and intermediaries receivables	R0360 91
Reinsurance receivables	R0370
Receivables (trade, not insurance)	R0380 511
Own shares (held directly)	R0390
Amounts due in respect of own runa items or initial runa cauea up but not yet paid in	R0400
Cash and cash equivalents	R0410 2,386
Any other assets, not elsewhere shown	R0420
Total assets	R0500 8,247

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Liabilities

Technical provisions – non-life
Technical provisions – non-life (excluding health)
Technical provisions calculated as a whole
Best Estimate
Risk margin
Technical provisions - health (similar to non-life)
Technical provisions calculated as a whole
Best Estimate
Risk margin
Technical provisions - life (excluding index-linked and unit-linked)
Technical provisions - health (similar to life)
Technical provisions calculated as a whole
Best Estimate
Risk margin
Technical provisions – life (excluding health and index-linked and unit-linked)
Technical provisions calculated as a whole
Best Estimate
Risk margin
Technical provisions – index-linked and unit-linked
Technical provisions calculated as a whole
Best Estimate
Risk margin
Contingent liabilities
Provisions other than technical provisions
Pension benefit obligations
Deposits from reinsurers
Deferred tax liabilities
Derivatives
Debts owed to credit institutions
Financial liabilities other than debts owed to credit institutions
Insurance & intermediaries payables
Reinsurance payables
Payables (trade, not insurance)
Subordinated liabilities
Subordinated liabilities not in Basic Own Funds
Subordinated liabilities in Basic Own Funds
Any other liabilities, not elsewhere shown
Total liabilities
Excess of assets over liabilities

	Solvency II value
	C0010
R0510	76
R0520	76
R0530	
R0540	73
R0550	3
R0560	
R0570	
R0580	
R0590	
R0600	
R0610	
R0620	
R0630	
R0640	
R0650	
R0660	
R0670	
R0680	
R0690	
R0700	
R0710	
R0720	
R0740	
R0750	
R0760	
R0770	
R0780	
R0790	
R0800	
R0810	
R0820	
R0830	
R0840	227
R0850	
R0860	
R0870	
R0880	
R0900	304
R1000	7,944

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

Annex I

S.05.01.02

Premiums, claims and expenses by line of business

	Line of Business for: non-life insurance and		Total
	Fire and other damage to property insurance	Miscellaneous financial loss	
	C0070	C0120	C0200
Premiums written			
Gross - Direct Business	R0110		
Gross - Proportional reinsurance accepted	R0120		
Gross - Non-proportional reinsurance accepted	R0130		
Reinsurers' share	R0140		
Net	R0200		
Premiums earned			
Gross - Direct Business	R0210		
Gross - Proportional reinsurance accepted	R0220		
Gross - Non-proportional reinsurance accepted	R0230		
Reinsurers' share	R0240		
Net	R0300		
Claims incurred			
Gross - Direct Business	R0310		
Gross - Proportional reinsurance accepted	R0320		
Gross - Non-proportional reinsurance accepted	R0330		
Reinsurers' share	R0340		
Net	R0400		
Expenses incurred	R0550	0	1
Balance - other technical expenses/income	R1200		
Total expenses	R1300		1

Advent Insurance PCC Ltd - Solvency & Financial Condition Report for year ended 31 December 2025

Annex I
S.23.01.22
Own funds

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction					
Ordinary share capital (gross of own shares)	R0010 4,842	4,842			
Non-available called but not paid in ordinary share capital to be deducted at group level	R0020				
Share premium account related to ordinary share capital	R0030				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040				
Subordinated mutual member accounts	R0050				
Non-available subordinated mutual member accounts to be deducted at group level	R0060				
Surplus funds	R0070				
Non-available surplus funds to be deducted at group level	R0080				
Preference shares	R0090				
Non-available preference shares to be deducted at group level	R0100				
Share premium account related to preference shares	R0110				
Non-available share premium account related to preference shares at group level	R0120				
Reconciliation reserve	R0130 2,858	2,858			
Subordinated liabilities	R0140				
Non-available subordinated liabilities to be deducted at group level	R0150				
An amount equal to the value of net deferred tax assets	R0160 243				243
The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170				
Other items approved by supervisory authority as basic own funds not specified above	R0180				
Non available own funds related to other own funds items approved by supervisory authority	R0190				
Minority interests	R0200				
Non-available minority interests to be deducted at group level	R0210				
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220				
Deductions					
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230 98	98			
Where of deducted according to art 228 of the Directive 2009/138/EC	R0240				
Deductions for participations where there is non-availability of information (Article 229)	R0250				
Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used	R0260				
Total of non-available own fund items to be deducted	R0270				
Total deductions	R0280 98	98			

Advent Insurance PCC Ltd - Solvency & Financial Condition Report
for year ended 31 December 2025

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
Total basic own funds after deductions	R0290	7,846	7,602		243
Ancillary own funds					
Unpaid and uncalled ordinary share capital callable on demand	R0300				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310				
Unpaid and uncalled preference shares callable on demand	R0320				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370				
Non available ancillary own funds to be deducted at group level	R0380				
Other ancillary own funds	R0390				
Total ancillary own funds	R0400				
Own funds of other financial sectors					
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410				
Institutions for occupational retirement provision	R0420				
Non regulated undertakings carrying out financial activities	R0430				
Total own funds of other financial sectors	R0440				
Own funds when using the D&A, exclusively or in combination with method 1					
Own funds aggregated when using the D&A and combination of method	R0450				
Own funds aggregated when using the D&A and combination of method net of IGT	R0460				
Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	7,846	7,602		243
Total available own funds to meet the minimum consolidated group SCR	R0530	7,602	7,602		
Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	7,846	7,602		243
Total eligible own funds to meet the minimum consolidated group SCR	R0570	7,602	7,602		
Minimum consolidated Group SCR	R0610	4,000			
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	190.06%			
Total eligible own funds to meet the total group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	7,846	7,602		243
Total Group SCR	R0680	4,000			
Ratio of Total Eligible own funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A	R0690	196.14%			

	C0060
Reconciliation reserve	
Excess of assets over liabilities	R0700
Own shares (held directly and indirectly)	R0710
Foreseeable dividends, distributions and charges	R0720
Other basic own fund items	R0730
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740
Other non available own funds	R0750
Reconciliation reserve	R0760
Expected profits	
Expected profits included in future premiums (EPIFP) - Life business	R0770
Expected profits included in future premiums (EPIFP) - Non-life business	R0780
Total Expected profits included in future premiums (EPIFP)	R0790

Mark Giorgio
Director
D. Iolite Audit Limited *mg*

Advent Insurance PCC Ltd - Solvency & Financial Condition Report for year ended 31 December 2025

Annex I
S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula

Market risk
Counterparty default risk
Life underwriting risk
Health underwriting risk
Non-life underwriting risk
Diversification
Intangible asset risk
Basic Solvency Capital Requirement

Calculation of Solvency Capital Requirement

Operational risk
Loss-absorbing capacity of technical provisions
Loss-absorbing capacity of deferred taxes
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC
Solvency capital requirement excluding capital add-on
of which, capital add-ons already set - Article 37 (1) Type a
of which, capital add-ons already set - Article 37 (1) Type b
of which, capital add-ons already set - Article 37 (1) Type c
of which, capital add-ons already set - Article 37 (1) Type d
Capital add-on already set

Consolidated Group SCR

Other Information on SCR

Capital requirement for duration-based equity risk sub-module
Total amount of Notional Solvency Capital Requirements for remaining part
Total amount of Notional Solvency Capital Requirements for ring fenced funds
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios
Diversification effects due to RFF nSCR aggregation for article 304
Minimum consolidated group solvency capital requirement

Information on other entities

Capital requirement for other financial sectors (Non-insurance capital requirements)
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities
Capital requirement for non-controlled participation requirements
Capital requirement for residual undertakings
Capital requirement for collective investment undertakings or investment packaged as funds

Overall SCR

SCR for undertakings included via D&A method
Total group solvency capital requirement

	Gross solvency capital requirement	USP	Simplifications
	C0110	C0090	C0120
R0010	1,022		
R0020	347		
R0030			
R0040			
R0050	42		
R0060	-236		
R0070			
R0100	1,174		
	C0100		
R0130	2		
R0140			
R0150			
R0160			
R0200	1,177		
R0211			
R0212			
R0213			
R0214			
R0210			
R0220	4,000		
R0400			
R0410			
R0420			
R0430			
R0440			
R0470	4,000		
R0500			
R0510			
R0520			
R0530			
R0540			
R0550			
R0555			
R0560			
R0570	4,000		

Mark Giorgio
Director
Deloitte Audit Limited *ML*

Independent auditor's report

to the directors of
Advent Insurance PCC Limited

Opinion

We have audited the following relevant elements of the Group Solvency and Financial Condition Report ("SFCR") prepared by Advent Insurance PCC Limited (the Company) as at 31 December 2025:

- Disclosures pursuant to Articles 296, 297 and 359(d) and (e), as at 31 December 2025 ('the Narrative Disclosures subject to audit'); and
- Group templates S.02.01.02, S.23.01.22, S.25.01.22 ('the Templates subject to audit').

The Narrative Disclosures subject to audit and the Templates subject to audit are collectively referred to as the 'relevant elements of the Group SFCR'.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- the 'Executive Summary', 'Business and Performance', 'System of Governance', 'Risk profile' elements of the SFCR,
- Solo templates S.02.01.02, S.04.05.21, S.05.01.02, S.17.01.02, S.19.01.21, S.23.01.01, S.25.01.21, S.28.01.01, and
- Group template S.05.01.02.

To the extent the information subject to audit in the relevant elements of the Group SFCR includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group SFCR of the Company as at 31 December 2025 is prepared, in all material respects, in accordance with the Insurance Business Act (Cap. 403) and the Insurance Rules issued thereunder, the Commission Delegated Regulation (EU) 2015/35 and the Commission Implementing Regulation (EU) 2015/2452 (hereafter referred to as "the relevant legislation").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants including International Independence Standards* (IESBA Code) together with the *Accountancy Profession (Code of Ethics for Warrant Holders) Directive* (Maltese Code) that are relevant to our audit of the relevant elements of the Group SFCR in Malta, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Maltese Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent auditor's report (continued)

to the directors of

Advent Insurance PCC Limited

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Narrative Disclosures subject to audit' of the Group SFCR, which describe the basis of accounting. The Group SFCR is prepared in compliance with the financial reporting provisions of the Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. As a result, the Group SFCR may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Group SFCR does not cover the Other Information and, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Group SFCR, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the SFCR, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Group SFCR or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in relation to these matters.

Responsibilities of the Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group SFCR in accordance with the financial reporting provisions contained in the relevant legislation referred to above. In accordance with section 8.9 and paragraph 8.11.1 of Chapter 8 of the Insurance Rules, the Directors are responsible for having in place appropriate systems and structures to meet the Company's public disclosure requirements in relation to the Group SFCR and for the approval of the Group SFCR.

The Directors are also responsible to have the necessary internal controls to enable the preparation of the Group SFCR which is free from material misstatement, whether due to fraud or error. The Directors are responsible for overseeing the Company's financial reporting process.

The Directors satisfy themselves that, throughout the financial year in question, the Company has complied in all material respects with the requirements of the relevant legislation as applicable to the Company. The Directors are also required to sign a Declaration Form, in accordance with paragraph 8.6.2 and 8.11.1 of Chapter 8 of the Insurance Rules and Annex IV to the said Chapter, for submission with the Group SFCR to the competent authority.

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion on the Narrative Disclosures subject to audit that the Company shall disclose and on the Templates subject to audit, in accordance with paragraph 8.10.2 and 8.11.1 of Chapter 8 of the Insurance Rules and Annex V to the said Chapter, confirming that the said relevant elements of the Group SFCR have been prepared in all material respects in accordance with the relevant legislation. Such audit is to be made in accordance with paragraph 8.10.2 and Annex V of Chapter 8 of the Insurance Rules and with International Standards on Auditing.



Independent auditor's report (continued)

to the directors of

Advent Insurance PCC Limited

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report (continued)

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group SFCR are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Group SFCR.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the relevant elements of the Group SFCR, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the relevant elements of the Group SFCR or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the relevant elements of the SFCR, including the disclosures, and whether the relevant elements of the Group SFCR represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Independent auditor's report (continued)

to the directors of

Advent Insurance PCC Limited

Restriction on use and distribution of our Report

This report is made solely for the exclusive use of the Directors of the Company in accordance with our engagement letter dated 02 October 2025. However, we acknowledge that a copy of our report will be provided to the Malta Financial Services Authority ("MFSA") for the use of the MFSA solely for the purposes set down by Chapter 8 of the Insurance Rules issued under the Insurance Business Act (Cap. 403). Except for the MFSA's obligations under its Memoranda of Understanding for regulatory collaboration and co-operation, our Report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. Our audit work has been undertaken so that we might state to the Company's Directors those matters we are required to state to them in an auditor's report on the relevant elements of the Group SFCR and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any duty of care, or any other responsibility and/or liability to anyone other than the Company, for our audit work, for this report or for the opinions we have formed.

This report was drawn up on 8 April 2026 and signed by:

A handwritten signature in blue ink, appearing to be "Mark Giorgio", written over a horizontal line.

Mark Giorgio as Director

In the name and on behalf of

Deloitte Audit Limited

Registered auditor

Central Business District, Birkirkara, Malta.